

**UNIVERSITY OF VAASA**

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**IMPLEMENTING ACCOUNT-MODEL IN SALES-ORGANISATION**

Case Metso Minerals

Master's thesis in  
Human Resource Management

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**ABSTRACT:**

Why do organizations have challenges in strategy implementation and why do they fail in strategy implementation when the strategy is their key success factor? Research shows that strategic knowledge in companies, in general, is on a weak level and it concerns employees as well as the management. The strategy is a focal point of business, and strategy is widely discussed in business. Corporate strategies that stand out get headlines. The vast majority of managers are focused on strategy and creating strategies. Most managers even say that their most important task is working according to the strategy. However, many companies struggle with implementing their strategy.

The objectives of this research were to increase awareness of a renewed strategy within this case organization and find out why they have been struggling with strategy implementation. The organization is implementing the account sales model to their sales organization. The goal of this case study is to find out what are the key challenges in strategy implementation. Research questions were: What are the strategy work challenges on implementing the account-model and how is the strategy perceived by the employees? The study focuses on concepts like strategic management, strategy implementation and kea account management.

This is qualitative research, and the empirical data was produced using face-to-face theme interview and semi-structured survey. The face-to-face interview was carried out with management responsible for the strategy implementation. The survey was addressed to the employees whose tasks the strategy concerned.

The results of this research support earlier researches and the findings show that the strategy implementation has not been successful. Challengers that stand out the most were lack of resources, poor time management, defects in communication and lack of control of the process. Management differences in three Nordic countries form an extra challenge. The implementation process is still ongoing.

Strategy implementation seems to be the hardest part of strategy work. Studies show that the implementation process is underrated. Future studies could focus on how to bring the same significance in strategy implementation than on strategy creation.

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**KEYWORDS:** Strategy; Strategy implementation; Strategy work; Strategy management; Key Account Sales Model; Key Account Management





## 1. INTRODUCTION

### 1.1. Background

Strategy, strategy work, and strategic management are activities that make long-term success possible. Strategy has been defined as a recipe for success, a formula for profitability and theory for business. Strategy is a number of decisions and actions that aims to bring long-term success for the company. It concerns making target-orientated and conscious choices about the company future in a continually changing environment. A good strategy gives a direction and structure for an organization and it creates an identity for the organization and gives coherence for employees' activities. (Vuorinen 2014: 15.)

Research shows that strategic knowledge in Finnish companies is on a weak level and it concerns employees as well as the management. Only 13% of the top management could declare the company strategy. In the middle management the number was 8%, and within the employees it was 2%. Because of the lack of knowledge, the effects of the strategic choices are weak, and therefore the personnel do not understand the company goals and does not have means to execute the strategy. If the management does not know the strategy, they cannot implement it efficiently. If the employees do not know the strategy, there is no contribution to the strategy. (Kauppalehti 2016.)

Today's organizations are increasingly in a situation where a common, clear strategy is becoming increasingly important. Research shows that those corporations where the strategy is well known are most successful. (Kauppalehti 2016.) Unfortunately, companies and management spent most of their energy and time on formulating the strategy and spend too little on implementing it properly throughout the organization (Forbes 2012.) It is argued that implementation determines whether the strategy comes to life or dies in the process. (Harvard Business Review 2017.) Most of the problems lie in the gap between those who formulate the strategy and those who execute the strategy. (Forbes 2012; Harvard Business Review 2016.) It is managements job to close those gaps. Closing those gaps means translating the mental model of those who created the strategy into those who execute it. (Harvard Business Review 2016.) It is hard to get people to act differently by telling them to sell more, produce better services, innovate more actively, or be more efficient. Change is hard. With smaller changes, you get better results. Making the strategy and the communication of the strategy simpler organizations can gain superior results. Implementing fewer things makes them stuck better. When people know what the desired

change is, they think about it and discuss about it. The above increases the understanding of the strategy as well as the actions of the strategy. In other words, when you get actions, you also start to get results. (Kauppalehti 2016.)

*" Customer centricity is one of our strategic fundamentals; it is critical for our success and a cornerstone of our culture. It is important that our customers get a consistent experience from all Metso employees, regardless of which part of Metso they do business with. We continue seeking regular feedback from our customers to ensure focus on what is most important for them and take quick corrective action when needed. "* (Metso CEO Pekka Vauramo: Metso 2019c.)

*"...but now it can be seen that our customer satisfaction is like terrible."* (Metso Leader X)

*"...there hasn't been any new outlining in the [corporate] strategy but the meaning of customer orientation, increasing service levels and improving response times has been highlighted, and those are the clear [strategic] points... we can clearly improve our operative activities."* (Metso Leader X)

*" It [need for customer orientation] has come from the market and from my superior who runs this market area. So, it comes from there. It is that direction that we need to start to move. And now this [market area] organizations is rearranged so that I am responsible for the aggregate business development and one step of that development is this customer rating and measures that concern it."* (Metso Leader X)

*" One could say it has started already couple of years ago by the previous market area leader, that this should be our way to work and, in the executive board meetings it has been discussed again and again how it goes. "* (Metso Leader X)

There is a long way from strategy to employees' daily work tasks, and therefore, the strategy should be made clear to every employee. Many organizations have a good strategy, but it is much harder to bring the strategy to life and implement into actions and customer experience. (Alahuhta 2015: 51.) Strategy is an important thing in business but the meaning of it does not seem to carry out into the operational level. In literature and business, the strategy is discussed a lot, but the ideal implementation of the strategy seems to be far from the reality. This case organization has made a strategic shift to a more customer-orientated direction. Poor customer satisfaction has let them renew and update

their sales model and focus more on the customer, and key account management is all about the customer. With this strategic shift, the organization is trying to unify their actions in sales, improve their customer satisfaction, and gain better sales in the long run. The case organization have had difficulties in strategy implementation before. It was brought to daily practice, so the process is ongoing and needs a new kick-off. This case study is produced to help to find answers to understand the difficulties and challenges that lay in this strategy implementation.

## 1.2. Key definitions

### 1.2.1. Strategy

There is no simple way to define strategy. One of the most well-known strategy thinkers Michael Porter connects strategy strongly to value creation and competitive advantage. In Porter's opinion the primary goal of a strategy is to find means to overcome competitors in the marketplace. Another well-known strategy thinker Henry Mintzberg sees the strategy as an intentional plan about the company future. Strategy means organization actions which are consistent but not always completely planned. A strategy is a perception about the company future and its place in the market and the actions that make it possible. (Kehusmaa 2010: 13-14.) Kamensky (2006: 20.) describes the strategy as choices about the company central goals and directions of its actions in a changing environment. This definition holds the company's strategic guidelines and choice of actions.

## 1.3. Research Objectives and Questions

Objectives of this thesis is to increase the knowledge of Metso Minerals Nordic Market Area renewed sales strategy and strategy implementation. The thesis tries to give different viewpoints and angles for the management to resume the strategy implementation in the future. The objectives are made together with Metso Minerals representative. They have struggled with strategy implementation in the past and they want to develop their organization. With better strategy implementation, they want the Nordic Market Area sales to collaborate as one unit regardless of the country of destination. When knowing and acting according to the strategy it is easier to make changes at the international level.

The thesis also wants to raise the awareness of the account-model, how it is seen and how it affects sales work.

**Main question:**

What are the strategy work challenges on implementing the account-model?

**Sub-question:**

How is the strategy perceived by employees?

The case organization is trying to increase customer service levels and better their reaction time by implementing an account model that focuses on co-creating value with the customer. The main question tries to find the difficulties and challenges that surround strategy implementation and especially account sales model. What challenges can be found in different country organizations.

Strategic knowledge is an essential part of strategy implementation. The sub-question tries to find out how the strategy is understood and perceived by the employees. The sub-question also tries measure the actual knowledge of the tasks and activities that key account management involves.

#### 1.4. Structure of the Study

This study is composed of six main chapters.

**The first chapter** focuses on the background of the study. Meaning of the first chapter is to raise the awareness of the study and increase knowledge why this case study is put into action. The first chapter also introduces the research questions, objectives and topics that are covered in this study.

**The second chapter** introduces the literature that is relevant to strategy implementation and to this case study. The chapter begins with getting to know the strategy work and implementation, and its challenges. It is followed by introducing the aspects of strategy implementation process and strategy management.

**The third chapter** introduces the literature that goes with key account management (KAM) and is relevant to this study. The chapter starts with introducing the principals of KAM. It is followed by the literature that is relevant to key account managers, and the chapter ends up with the literature that is in relation to key account implementation.

**The fourth chapter** introduces the methodology that goes with this study, including information about research methods, case organization, data collection, and data analysis.

**The fifth chapter** covers the empirical findings and analyzed data that was collected in this case study.

**The sixth chapter** compiles the empirical findings and answers to the research questions. Conclusions are made from those findings, and the meaning of the is discussed. The implications for this case study are presented in this chapter.

## 2. STRATEGY IMPLEMENTATION

In this chapter, we are looking into strategy work and strategy implementation. At the beginning of the chapter we go through strategy work and strategy implementation. Even though the thesis is about strategy implementation, strategy work is a crucial part of strategy implementation because there are a lot of overlapping processes that concern strategy implementation and strategy work. At the end of the chapter, we focus on strategic management.

### 2.1. Strategic management

Johnson et al. (2008: 11.) emphasize the importance of managers when it comes to strategy. Strategies do not happen by themselves, and that is why it needs people and especially the managers how determine and implement the strategy. Strategy management has different characteristics than other management roles. Strategy management is a complex task that which involves ambiguous and non-routine situations with organization-wide and alters from operational specific implication. Above may appear to be a significant challenge for managers who are used to managing day-to-day control, resources, and operations. It is hard to shake the habits and managers who aspire to manage strategy needs to develop a capability to take an overview so called 'helicopter view' of things. White (2004: 634-635.) says that management oversees the implementation of the strategy, but coherence is only achieved if the responsible person tries to involve all other in strategy making. To underline the importance of the strategy White suggests building a separate strategy unit. Responsibilities of the unit can be divided for different managers in the organization or establish a separate function division who oversee the strategy. To appoint a separate strategy unit signals the importance of strategy activities and a unit is more imaginative than a one person. Equally Kehusmaa (2010: 53.) suggest building a workgroup for strategy work which utilizes the different point of views of individuals' in a group. Kehusmaa underlines the importance of recourses when it comes to strategy implementation. The implementation process should carry out those persons whose job description it suits the best but controversially not create a separate process organization for strategy implementation. Consequently, Slack et al. (2017: 339.) state that line managers are the critical facilitator launching the strategy implementation in the operation level, but it is the staff managers who have the strategic monitoring and shaping the role.

According to Kamensky (2015: 24-27.), there are four stages in the strategic management development. Strategic management has developed over the overtime, but still, the four stages of strategic management occur, and the stages do not exclude each other.

**The first stage** is planning based strategy, which is the baseline, where the company plans the content of its business. Planning based strategy usually fails to lousy implementation and difficulties renewing the strategy. Typically, the planning-based strategy is too much focused on the strategic goals and not to the means of carrying out the strategy.

**The second stage** of strategic management is management-based strategy. If the company follows the management-based strategy, they have evolved from the planning-based strategy and have taken the strategy of their success factor. In management-based strategy the strategy is a crucial part of the management system. Management based strategy can bring difficulties to the management system because typically the management system focuses on the daily operational business activities when the management-based strategy should focus on what we do now and in the future. Management based strategy requires creativity, testing different approaches of things and searching new means and ways to carry out the strategy.

**The third stage** that Kamensky lists is know-how-based strategy where the strategy rises to a new level if the company's high command and the whole organization have absorbed the idea of strategic thinking and know-how that is required in the strategy implementation. Know-how based strategy enables prosperity in the long run and advances the change of renewing the strategy. It is paradoxical that overthinking of the strategy and focusing too much on the strategic know-how can turn on itself. Focusing too much on the strategic know-how the strategy implementation can become too complicated, and employees have trouble concentrating on the operational tasks. Companies and especially the management should focus on keeping the core things in mind in both strategy implementation and operational management.

**The fourth stage** is interaction-based strategy. Too strong strategic thinking mindset can become too self-contained whit in the organization and escape from that organizations need interaction. Good organizations build strong networks and ecosystems within employees, teams, divisions and other functions to improve their strategy implementation. These types of interaction not only develop organization's strategy but also other factors that make the company successful.



Kehusmaa (2010: 39.) state that strategy is not evaluated frequent enough. Many organizations look at strategy once a year, even though most of the organization managers say that their main task is to execute the organization's strategy. Even though the strategy work would spotless it is unlikely that the strategy will be carried out everywhere in the organization but to implement the strategy, for the most part, it should be controlled and continuously followed. According to Lynch (2000: 762-763.), the strategy implementation tasks should meet managers personal goals, so the implementation is more easily controlled. Usually, the implementation is divided into a series of small tasks so to keep the big picture in mind that managers need to make sure that there is consistency between personal and organizational goals. Also, change is demanding, so when implementing strategy managers should only change what is necessary to make sure that the strategic problems are cared for.

#### 2.1.1. Managing change

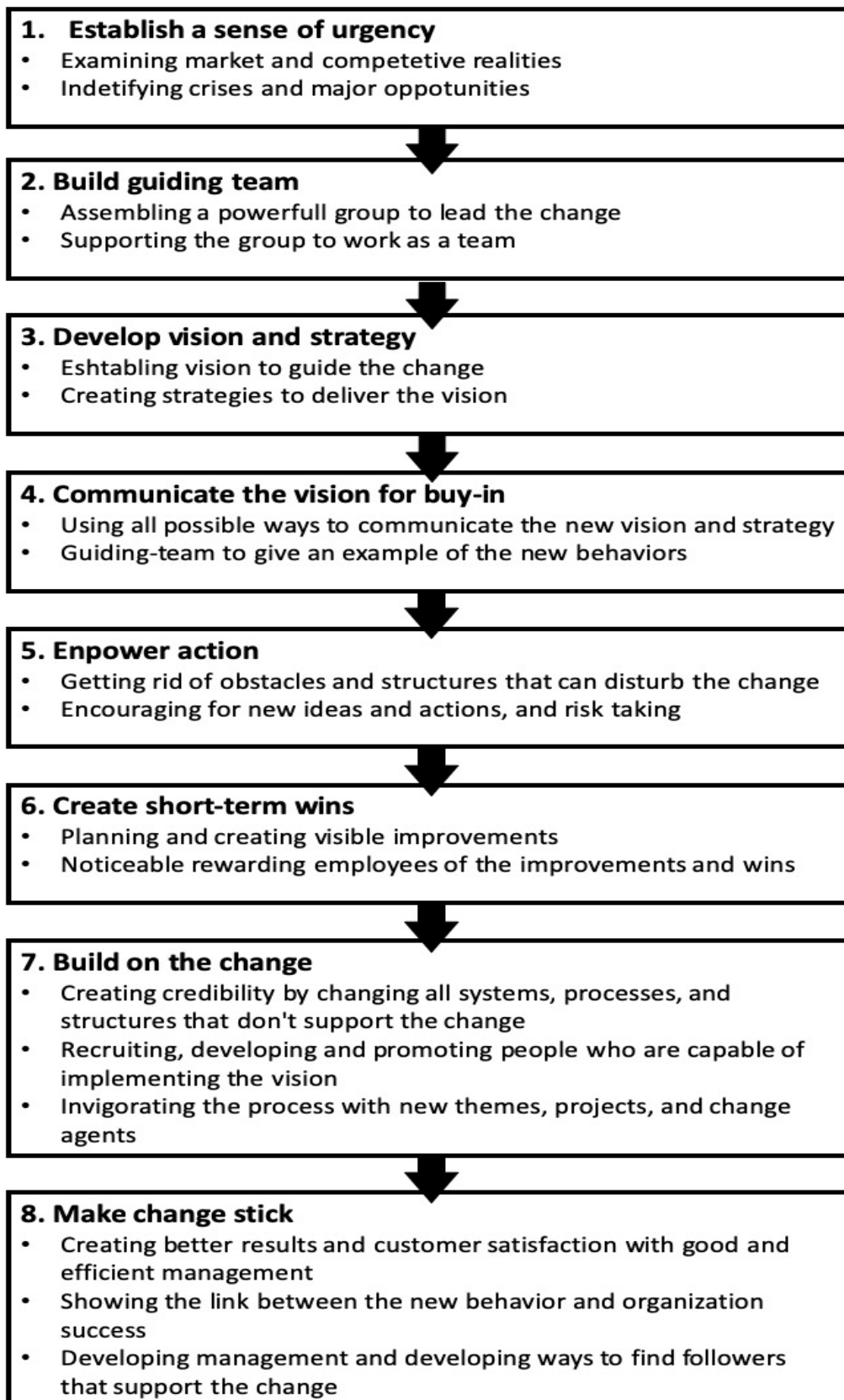
Applying new strategies demands a large-scale change, and it is argued that the most demanding is starting-up the change process. (Kaplan et al. 2002: 363.) Managing strategic change is usually considerably more difficult than it may seem. Strategic change and reorientation commonly mean moving from well-known present to a less well-defined future where the old rules no longer apply. Meaning, people must abandon their past, even the successful ones, and develop completely new skills and attitudes. (Mintzberg et al. 2003: 166.)

Strategic change means new skills and ways of working. Therefore, some may feel threatened about it because the change can affect employees' position, tasks, know-how, dignity, or well-being. (Kehusmaa 2010: 153.) Also, former failed implementations may have turned people into pessimists, and they may question motives around the change. (Kotter 1996: 15.) Kotter (1996: 4.) narrate that Negative consequents in change processes are more or less unavoidable. When an organization needs to change it usually causes frustration and pain in the process. Kotter lists the most common mistakes that are usually made in the process: *people being too comfortable to the current situation, there is not strong enough team to drive the change through, people underestimate the vision, the vision is communicated poorly, there are obstacles that are not removed, there is no short-term wins, and the change does not become part of the organization culture.* These mistakes slow down the change process, and they might have serious consequents to the

process. The key point is to understand why the organization resists the change. Driving a change is a multi-level process, and there are ways to get rid of the resistance of change.

Kotter (1996: 18.) introduces the eight-step change process that helps organizations' drive the change through. (Figure 3.) Kotter (1996: 18.) introduces the eight-step change process that helps organizations' drive the change through. (Figure 3.) The eight-step process is based on the mistakes that were introduced above. The steps are: *establish a sense of urgency, build a guiding team, develop vision and strategy, communicate the vision for buy-in, empower action, create short-term wins, build on the change, and make change stick*. Steps one to four helps to unsolve the current situation in the organization and start the change. Steps five to seven puts the new course of action into operation. The last step makes the changes stick into the organization culture and make them permanent.

Change means moving from one stage to another over time. It is a process that consists of actions and events that drives the organization into change. (Dag 2018: 19.) Organizations' should not think that strategic change is one process that needs to be executed, but a constant process where the strategy work is constant and where things and ways develop and is continuously renewed. (Kehusmaa 2010: 155.)



**Figure 1:** Eight steps of driving change. (Imitated from Kotter 1996: 18.)

## 2.2. Strategy work and implementation

According to Mintzberg, Lampel, Quin & Ghosal (2003: 73.) strategy process can be divided into strategy designing, strategic choices, and strategy implementation. In the strategy process planning, organizations have to think strengths, weaknesses and make risk evaluations for the possible outcomes that concern the strategy. With strategic planning and strategic choices organizations seek a competitive advantage in the market. Even though many researchers illustrate strategy implementation as a separate element after strategic choices, the time has shown it is not so (Lynch 2000: 761).

In history, strategy implementation was not as important as it is today. Hundred years ago, when the scientific leadership was taking over the operational, jobs were braked down into small, simple tasks. Engineers and corporate leaders developed standards on how the tasks were done efficiently. After that, anybody could do the task, and it was easy to get employees because almost anyone would do. By doing the same task all over again could become a master of that task. Fredrick Taylor invented this kind of leadership model, and his motto was "simple work for simple people" - the Taylorism. In this kind of working environment employees did not need to know the strategy. It was enough that employees just did the job that the engineers and management had shown them. (Kaplan & Norton 2002: 233-234.)

Today the situation is different. To achieve the goal that the company has set for itself it needs to get all the employees to carry out the same strategy, and this involves all the companies no matter what line of business they work or if they work in private or public sector. Research has shown that half of today's work is based on knowledge not on physical work. In today's organization there is so much different kind of work to focus on, and employees have multiple tasks that are overlapping with each other. So, modern-day organization face the challenge of how to get the employees' heart and mind to benefit the work. Employees need to know who the customers are and try to come up with different methods of how to enhance customer's value. In manufacturing and customer service employees' need to focus on getting better results in quality and figure out how to cut expenses, so the company can fulfill all the customers' expectations and stays in the market of their line of business. Strategy based organizations have a vast understanding of how important it is to get every employee to carry out the company's strategy. After all the employees really are the ones that carry out the strategy. Companies expect the key

employees to have information about the market's opportunities, threats, technical innovations and other, so implementing the strategy is a highly important part of the company's competitiveness. (Kaplan et al. 2002: 234-235.) The hardest and the most significant part of a successful business is implementing the strategy and to succeed in strategy implementation needs to have the whole organization on board and actively involving in strategy work. Creating a successful strategic organization culture takes 7-15 years. (Kehusmaa 2010: 38-39; Kamensky 2015: 27-28.)

Strategy work is done by big corporations, middle and small size corporations, government, cities, sports clubs and other organizations. Unfortunately, in most cases, strategy work does not answer the expectations. It is common that strategy work decreases in the time of depression and in those times, it would be needed the most, and at the peak of prosperity, organizations do not have the time because they focus on making money. Alarming feature in Finnish organizations is that in the 20th-century strategy work is decreased permanently, and it is poor quality. Global competition has set even bigger standards for strategy work. Underestimating the meaning of strategy work is typical because employees have experienced bad strategies and poor strategy work. Also, measuring the strategy is demanding for two reasons. Usually, the impact of the strategy shows in a longtime frame, and multiple things affect the success of the company, not just the strategy work. So, to evaluate the strategy impact organizations also need to evaluate the level of their strategy work. (Kamensky 2015: 28.)

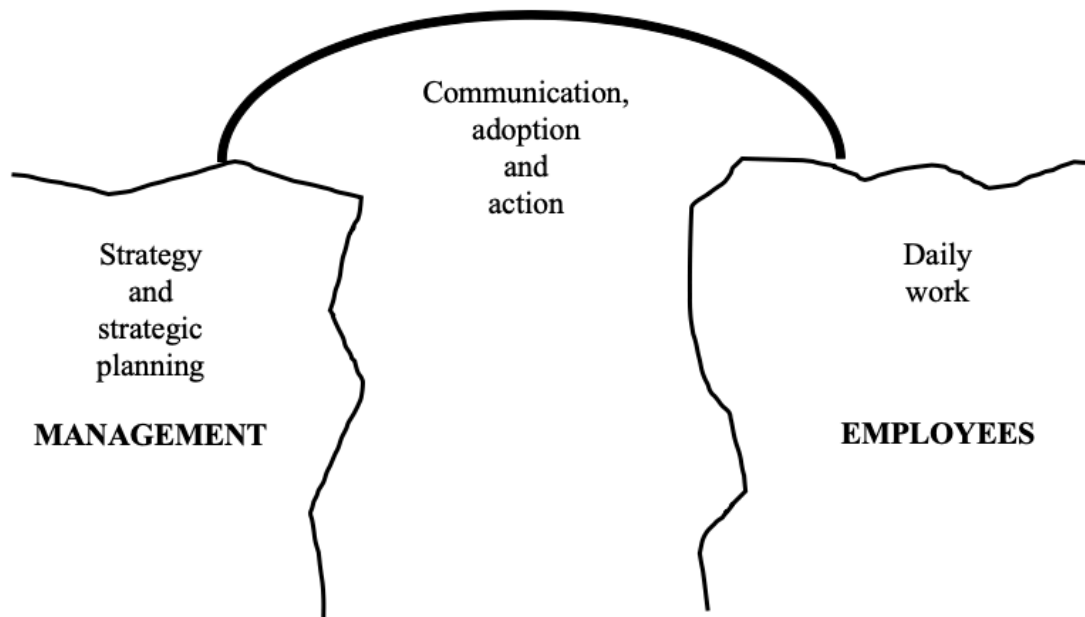
Slack & Lewis (2017: 326-327.) narrate that strategy implementation is the way that strategies are operationalized and executed. Implementation involves all the processes that make sure the strategy is achieved. Implementation is critical because without it even the most sophisticated strategies remain only a document. So, implementation is an important part of the strategy process which varies depending on the specific changes that are made by the chosen strategy, and the organizational and environmental conditions that apply during the implementation. Lynch (2000: 765-766.) puts out Quinns & Senges opinion of the future of the strategy implementation. They suggest that implementation needs to be considered not only a single inflexible task, but a series of implementation actions which outcome guides the strategy. The true essence of the strategy is hard to see in advance, but it will appear during the implementation process. The objective of strategy work is not so much making the strategy but to secure the organizations future, make it more profitable and stand out from its competitors (Hakanen 2007: 75).

Selecting the right strategy for the organization is important to sustain competitiveness in the market. In most cases, the strategies do not fail in how the strategies were formulated, but rather because they were unsuccessfully implemented. (Hitt, Jackson, Carmona, Bierman, Shalley & Wright 2017: 1; Hickson, Miller & Wilson 2003.) Similarly, Kehusmaa (2010: 38.) sees that the challenges in strategy work lie in the implementation. The assessed competitive advantage from strategy work is poorly transferred to organizations processes and therefore, for example, important development project fail even though they were an essential part of the strategy.

### 2.2.1. Implementation difficulties and challenges

*Most of the people in the corporate centre who are crucial to successful strategy implementation probably had little, if anything, to do with the development of the corporate strategy." (Lynch 2000: 771.)*

Mantere, Aaltonen, Ikävalko, Hämäläinen, Suominen & Teikari (2006: 10-11.) symbolize that there is a gap between the strategy and the practical work that takes place in the organization. (Figure 1.) To combine these two organization, need to build a bridge between the management that makes the strategic planning and the employees that execute strategy at the operational level. The bridge consists of communication, adoption, and action and the goal is to make plans into actions. The problem in this equation is that opposite sides do not fully understand each other. The strategy planners understand the strategy but do not undergo it in practice and the employees may understand the strategy, but they do not see the importance of the strategy in their daily work. Equally, Lynch (2000: 763.) present that there is often a gap between the strategic plans and the managerial actions. Organizations launch extensive strategic initiative, but they usually have little effect on the organization. Reason for the low response according to Lynch was that the strategic plans were difficult to translate into actions that the managers and employees could understand and make use in their daily work.



**Figure 2:** The strategy implementation gap. (Imitated from Mantere et al. 2006: 11.)

White (2004: 616-618.) narrates that key to successful strategy implementation is learning and effective strategy making encourages the of process learning. White also gives six weaknesses to strategy implementation: tokenism, bureaucratization, strategy as risk control, strategy as short-term profit maximization, strategy as a reproduction of the past and strategy as a vehicle for uncontrolled ambition.

**Tokenism** means that the strategy is poorly and hastily produced, and there was no real intention to implement it. In Tokenism, the strategy is done because everyone else has one, but it was never intended to use as a tool in business. **Bureaucratization** is a weakness where the strategy work has gone to the extreme and there are too much data, reports, and detail altogether and the strategy work comes to a substitute for action and implementation.

**Strategy as a risk control** is a weakness where the strategy is seen as a negative process where the ultimate goal is the avoidance of risk and therefore, does not get implemented whereas it should be a positive one that creates new chances and competitive advantage.

**Strategy as a short-term profit maximization** means that strategy is seen as a short-term opportunity where the goal is small and incremental profit rather than long-term and long-lasting competitive advantage.

**Strategy as a reproduction of the past** is a weakness where strategy can encourage a concentration on the present where the focus is on the existing strengths and weaknesses rather than in the needed changes in the future.

**Strategy as a vehicle for uncontrolled ambition** is a weakness where the strategist itself think that everything is possible, and they break free of all constraints and environment and they cannot believe that the strategy does not work, and it cannot be implemented.

There is a difference in understanding the strategy and absorbing the strategy. Most organizations assume that employees understand the company strategy, and most of them do, but they do not understand the true essence of the strategy. In many organizations the strategy implementation work is weak and therefore the belief in the company strategy fades away and loses its meaning. Strategic thinking is abstract and therefore hard to understand. Strategy implementation needs concrete experiences that enhance the meaning of the strategy. In many organizations only the management is involved with the strategy implementation which makes strategic thinking even harder. (Kamensky 2015: 27.)

Kehusmaa (2010: 23-25.) presented results of a strategy barometer which interpreted the problems in strategy management. The results were collected from over a thousand corporate leader and the results showed that poor management skills, unexpected environment changes, organization communication and stiffness in organization culture were on the top four causes that induce trouble in strategy implementation. The research also revealed challenges in strategy implementation in the following areas; management, operations model, products and services, sales and marketing and partnerships. The surveys free comment section highlighted the difficulties in employee commitment to the strategy, mutual understanding of the strategy, capture the true essence of the strategy in a simple matter and management communication and the information flow of the strategy.

Kehusmaa (2010: 38.) also shares an example where an organization made a new strategy to establish better relationships with key customers and decided to decrease the number of customers. Planning the strategy, the organization identified targets of development and set processes goals for them. Despite plans and goals, the strategic important development processes were lagging and advanced slowly and key customers got the same



service as the not so important customers. They noticed that strategy implementation is weak, and the development targets are easily ignored even though they were strategic important. Reason for weak implementation the organization management stated the lack of time and unexpected challenges in everyday work. Timelines are too tight and sharing of responsibility is unsuccessful.

The strategy is seen as a separate process from the organizations' other processes and therefore it is hard to connect and transfer to daily work. In today's fast-changing environment, the strategy should not be separated task but a joint effort with the operational level and organization should go through it multiple times in a year, almost daily. (Kehusmaa 2010: 26-28.) Commonly Kamensky (2010: 347.) state that strategy work should be a long and exacting job where the whole organization is involved. It demands a lot of time and the right choices to make the strategy implementation work.

### 2.3. Strategy implementation process

Slack & Lewis (2017: 326-327.) narrate that strategy implementation is the way that strategies are operationalized and executed. Implementation involves all the processes that make sure the strategy is achieved. Implementation is critical because without it even the most sophisticated strategies remain only a document. So, implementation is an important part of the strategy process which varies depending on the specific changes that are made by the chosen strategy, and the organizational and environmental conditions that apply during the implementation.

According to Kaplan (Kaplan Norton 2002: 235-236.) there are three ways how strategy-based organization get employees to carry out the strategy meaning and how to get the strategy implemented.

**Communication and training:** The employees need to be informed of the strategy, and they also need to understand it so they can capitalize it in their work. Effective communication raises awareness and knowledge.

**Setting personal and team goals:** Employees need to know how to behave in order to carry out the company's strategy and how drive the strategy forward with their performance. The manager's job is to assist the employees and set goals that support the strategy. Personal development plans can be integrated to achieve these goals.

**Rewarding:** Earning should follow the organization's success. Incentive scheme, other rewards and organization performance should have a straight link between each other.

Strategy implementation processes vary from one organization to another depending on what kind of strategic problems they have. Strategic changes also demand change and development from the organization. The scale of the strategy implementation program depends on the extent of the strategic change which is affected by the organization's operational environment and the forces that are needed to make the change happen. (Lynch 2000: 758.) These strategy implementation dilemmas can be approached with three different kinds of models: a comprehensive implementation program, incremental implementation program, and selective implementation program. The comprehensive implementation program deals with significant strategic change where the organization's strategy entirely renewed. An example to this type of dramatical changes can be a big technological breakthrough when it is necessary that the strategy implementation applies every part of the organization and it is essential for the company success. Incremental implementation program can be used when the organization is dealing with uncertainties like fast-changing markets or development work outcomes. Uncertainties affect the organizations work activities and goals. The uncertainties can be managed with flexible strategic changes and implementing those changes. Selective implementation program may come in question when neither of the above does not serve the company's ongoing problem. The selective implementation program is a combination of the comprehensive and incremental implementation programs and is seen as a compromise of those two. Selective implementation program contains significant strategic change but in a selective area only. To determine which type of program is required it may be useful to think does the change involve ongoing activities with predictable strategic change or new activities with high strategic change and uncertainty. New activities require more detailed plan, funds and needs to be monitored with more closely manner. (Lync 2000: 758-760.)

According to Lynch (2000: 761-762.) it is crucial to see the strategy implementation as a series of small step that happen over time through complex learning and learning processes between implementation and strategy. Implementation process over time can even change the organization's goals and objectives. Research shows that strategic change is

most helpful when it is seen as a continuous process than separate steps like planning, formulating and implementing. The implementation process was seen more as an experiment where the outcomes are uncertain, and its movement where controlled iteratively.

Lync (2000: 766.) presents Pettegrews & Whipps who see three interlinking aspects of strategy implementation. First, the implementation should involve many aspects of the organization. Areas should be analyzed, especially the organization's environment and resources. Second, there is an educational aspect that comes with the implementation process. The organization learns much about its strategy and processes when they are doing the implementation. The new information needs to be captured, saved and diffused within the organization. Third, the political aspect where the strategy implementation and formulating can shake up organizations political balance and even some cases cause chaos.

### 2.3.1. Planning and choices

It is claimed that strategy implementation is a more difficult process than the design of the strategy. (Hitt, Jackson, Carmona, Bierman, Shalley & Wright 2017: 2.)

According to Lynch (2000: 758.) plans toward change and new strategy supposed to answer questions like what activities need to undertake to achieve wanted objectives, what is the time scale of the implementation and how it will be monitored and controlled. To turn strategy planning into more specific implementation plans the elements of the implementation plans should include what the specific strategic objectives are that the organization is pursuing. Then taking the objectives and making them into specific task and deadlines, making sure there are enough resources and budget to execute these planned assignments, and monitoring and controlling the process, so the resources and funds meet the case and more importantly the process is based on the planned strategy.

There is a tension to seeing strategy as a grand design for the operation and seeing it as an emergent process which drives the day-to-day experiences and also the day-to-day implementation of the new strategy. This means that the strategic changes that are made must be specific, so they guide the day-to-day work, but also they must be broad so it provides a change of adaptation for strategic changes and implementation, and sometimes the broad enough strategy does not meet the changes that come from market or technology. (Slack & Lewis 2017: 328-329.)

Lee's and Puranam's study (2016.) bring forward the fact that it is essential to implement even the imperfect strategies because if any strategy is ineffectively implemented it will not create any returns for the company.

### 2.3.2. Resources

Some of the company's capabilities become routines over time and they are effective in strategy implementation if the strategy does not change a lot. Nowadays it is common that the change in the market is constant and therefore the strategies needs to change more rapidly. Strategic changes need implementation and the implementation need resources and this brings more pressure to the management who has the last responsibility of the implementation. (Yi, Li, Hitt, Lui & Wei 2016.) Hitt et al. (2017.) see that human capital is the most important when it comes to implementing strategy. Highly motivated and talented human resources are more adjustable to change and therefore easier to manage which is crucial to good strategy implementation. Slack et al. (2017: 336.) say that people are the most important strategic resource that can directly affect to success and if the organization makes the individuals feel that their participation and work matters into what happens in the organization most employees will feel that their contributions are worthwhile. Also, Hitt, Bierman, Uhlenbruck and Shimizu (2006.) found that with good human capital is easier to implement strategy. Barrick et al. (2015.) show that motivation is also necessary for the top management and its team in strategy implementation actions. For efficient implementation of the strategies there must be the right resources and capabilities available (Hitt et al. 2017).

To implement strategy effectively company has to have all the right resources and capabilities that are also joined together in a way that they bring leverage to strategy implementation and create competitive advantage in the long run. (Hitt, et al. 2017.) Matching and integrating the capabilities and resources with the strategy enables companies to better compete against competitors with better talent and matching also helps to implement the strategy and achieve high-grade performance comparing to those companies that mismatch. (Sirmon, D. G., Gove, S. & Hitt, M. A 2008; Sirmon, D. G. & Hitt, M. A. 2009.) Kamensky (2006: 266-268.) says that a considerable part of organizations success comes from how to fit the organizations' resources and know-how with the customer's needs and to the competition in the market. In strategy work, managing the resources has become a competitive advantage and especially when it comes to growth and development in the

market. It is all about who has the more skilled resources and who can change, develop and learn the most compared to competitors in the market.

### 2.3.3. Strategy communication process

Strategy implementation is communication in different forms. Usually the strategy styles, appearance, and content might be obscure and because of that, it is hard to communicate forward and therefore it is hard for the employees to understand. The challenges in strategy communication lie on the fact that how to communicate the strategy to every group and individual in such matter that everyone understands it. (Kehusmaa 2010: 31-33.) Especially high-level strategies must be transformed into more specific objectives and a clear implementation plan has to exist. Appropriate processes have to exist to communicate the strategy and its implementation down in the organization (Slack et al. 2017: 337).

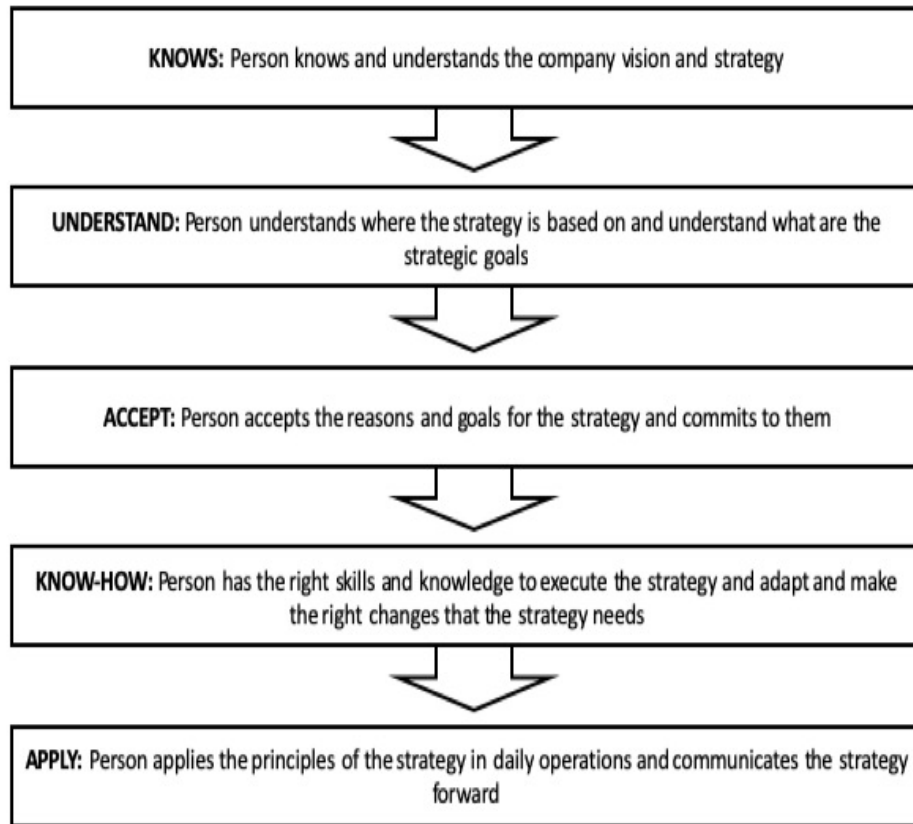
Companies just can't put the product to the shelf and wait for the customer to notice it. Companies have to have marketing- and sales campaigns where they tell about the product to the customers. After that companies track the selling numbers to know how many customers have tried the product, and after that they keep tracking how many of the customers stay loyal to the product and perhaps recommend it to others. So how should one CEO behave then when the company would like to take a new strategy in use? How the new strategic direction should be informed to the employees? In most companies, these kinds of things are not communicated at all and research shows that less than 5% of the ordinary employees know the company's strategy. It is strange because companies expect huge behavioral changes from their employees to carry out the new strategy and it is far more than they expect from their customers when they release a new product. Companies should use similar methods to implement new strategy as they do when they market new products. When communicating the strategy, there are a few steps in the process. The first step is to train the employees and to raise the awareness of the new strategy. After that companies need to make sure that everybody understands the new strategy and behaves accordingly. The last step is to resolve how many of the employees are marketing the strategy to other employees. All of these things can be measured. Companies should budget money and time for strategy implementation as they do their product marketing and advertising. (Kaplan 2002: 237-238.)

According to Kaplan, the above sounds radical, but it is coming a standard in a strategy-based organization. Strategy based companies' CEOs have learned that when implementing a new strategy every employee needs to know the strategy so they can carry it out in

their everyday work. It is about communicating the strategy from up to down the way that everybody can find innovative ways to help the organization to reach its goal. Research shows that in thriving organizations 67% of the employees know the organization's primary goals and 26% organization's leaders can communicate effectively. In organization's that underachieve the same numbers are 33% of strategy knowledge and 0% in leadership communication. So, communication unquestionably affects the organization's success, but most organizations communicate poorly. Employees should know the company's vision because if they do not know the vision, they cannot understand the strategy and therefore cannot support carrying out the strategy in everyday work. The management team should take every opportunity to communicate the strategy in every possible communication channel that the company has, and the objective is to raise the awareness of the strategy in the organization. There is an illusion in the communication process that when the message is sent the communication is done, but even though the message is sent, it does not mean that the message has been received. The results of the communication process should be measured by how well the employees have understood the message and not by the numbers of messages sent. (Kaplan 2002: 239-240.) Similarly (Kamensky 2000: 307; Hakanen 2007: 147; White: 2004: 619.) say that strategy should be communicated in a way that it is understood, and the communicated information turns into knowledge. Knowledge is the starting point of strategy implementation and with communication, the organization can make the strategy more understandable.

With good communication, the management should make the employees understand the strategy in such matter that they see themselves and their work on a larger scale as a company. With communication, the organization can raise awareness of the strategy and the effects of communication should be involved in every step of the strategy implementation (Figure 2.). (Hakanen 2007: 147-148.)

During the strategy implementation process communication should be transparent and intensive which improves the knowledge of the strategy and strategy implementation in the organization. Good communication also helps overcome the resistance of change. (Hakanen 2007: 162.) It is not uncommon that organization communication malfunction even though the organization has made efforts to better it and the poor quality also shows in strategy implementation. To succeed in strategy implementation the strategy should be communicated daily and not just remind it in random events. (Hakanen 2007: 148.)



**Figure 3:** The scope of communication in strategy work. (Imitated Hakanen 2007: 148.)

#### 2.3.4. Knowledge and learning

Education provides the basics on to use the knowledge that can be used in different contexts and it helps to generate ideas. In strategy work knowing the strategy is not enough and therefore there should be education about what the strategy implementation is trying to achieve. For education to thrive there must be learning. Mistakes are the most valuable in learning and therefore in implementation, there also should be opportunities to discuss what went wrong so people can learn by their mistakes. This way organization can create a problem-solving culture which enhances learning. (Slack et al. 2017: 337.) Also, knowledge is a resource that can't be copied and therefore it is very valuable for the company. Learning takes time but yet is renewable and possessing this kind of core qualifications is strategically significant. These core qualifications can be a competitive advantage, or they can remain isolated if the knowledge is not there. (Kamensky 2006: 268-

271.) Johnson et al. (2008: 421.) say that organization management should encourage processes that enable and encourage the sharing of information and knowledge. Information and knowledge sharing make individuals more sensitive to change that around them, and they will more commonly grasp opportunities that require changes. Also, Viitala and Jylhä (2013: 67.) say that when the core know-how is strong in the organization the strategic changes come more flexible because the strong knowledge can be applied in varied situations.

Knowledge is a significant resource in strategy implementation, and the company's human capital holds the most valuable knowledge (Wang, Choi, Wan, & Wong 2016). Relation capital also makes strategy implementation easier. Relation capital is the relationships that grow in time between managers and employees, so human resources have a big role in strategy implementations accomplishment. (Hitt et.al. 2006.) Hence, it is essential to see the organization as a social network that cooperates, shares knowledge and learns from each other. (Johnson et al. 2008: 422.) Kamensky (2010: 331.) see strategic knowledge as team training because business is a team sport. Creating, renewing and implementing strategies requires collective will and direction from the whole organizations. Organizations who can add strategic know-how to their repertoire have an advantage in the fast-changing environment.

#### 2.3.5. Setting personal and team goals

For the strategy to have meaning to the employees it has to be in line with the organization's goals and plans. Personal employee plans need to be set with the work organization which usually involves more specific functional operational thinking. The second wave of the goal setting is setting mutual goals inside the business division. Business division goal setting involves fairly short term tactical and financial plans, and the objective is to get the employees to do their work better and more efficient, accordingly to the strategy. (Kaplan 2002: 257-258.) Research shows that in the United States 51% and the United Kingdom only 31% of the companies' high command have connected the strategy and personal employee planning. Same numbers in the middle management were 21% in the US and 10% in the UK and whit in the employees the figures were 7% in the US and 3% in the UK. (Kaplan 2002: 258.) In strategy-based organization the strategic goals should be found in their gauge of success, and they should be linked to personal employee goal setting. (Kaplan 2002: 259.)



### 2.3.6. Control

Corporate governance often focuses on the fact that management selects the right strategy, and the control systems also focus on the operational level, but corporate governance should also focus on the fact that the strategy gets implemented. Making sure the latter happens they could establish a control system that enhances implementation efforts. Operational level control is important but the same control systems do not cover the needs in the strategic management control. (Kamensky 2010: 322; Hitt et al. 2017.)

Strategic control and monitoring involve seeing over the plans and activities which the strategy and the implementation of the strategy needs. In the operational level, there should be clear plans of the tasks that are needed in the strategy implementation and therefore clear triggers that are monitored. In operational level strategy implementation control is a pretty straightforward issue; you plan, you do, you monitor, and you do changes if needed. Strategic level control is a bit more complicated because in the big picture it is more difficult to predict the outcomes of the strategy implementation and many strategies are much too complex to be monitored. (Slack et al. 2017: 342.) Kamensky (2010: 322.) says that demand for a good strategic control system is hard because strategic decisions are far-reaching and multidimensional and therefore it is hard to create a functional control system which notices the achieved goals but also gives feedback on the present situation and the future situation. Reaching goals is not enough to tell if the strategy works. White (2004: 619.) thinks that it is better to follow more broader direction in strategic control than at the operational level. Outlines of the strategy provide guidelines and if the guidelines are internalized and understood by the decision makers, they may be able to control the strategic direction.

Especially in strategy implementation, the steps need to be controlled between different operators in the organization. Progression and strategic goals should be evaluated by the quarter and make sure that everyone knows what, how, who, when and in what way the strategy is controlled. This requires coordination and objective harmonization within the organization. (White 2004: 619; Kamensky 2010: 322.)

### 2.3.7. Rewarding

According to Lynch (2000: 816.), a proficient and motivated people are indispensable when it comes to strategy implementation and especially in management level. To achieve

this organization can create a reward system that increases motivation in strategy implementation. In the same way, Kamensky (2010: 334.) states that goals of rewarding are to improve the organization's strategy and operative and financial performance. A competent rewarding system can improve these goals and by committing the whole staff to achieve central goals. A good and efficient rewarding system is also linked to motivation, workplace atmosphere and productivity. (Lynch 2000: 817; Kamensky 2010: 334; Pinto 2011.)

To achieve strategic objectives the reward system needs to include long-term elements as does the strategy but there need to be short-term and individual performance rewards as well. This raises a complication in the system because personal rewards are more desirable than strategic objectives that usually concerns a larger group and not all strategic objectives are easy to measure. Some organizations have created a system where strategy implementation is divided into a series that can be measured so the targets and performance can be reviewed accordingly. (Lynch 2000: 817.) Kehusmaa (2010: 174.) presents Ambrosius's, Tikkanen's and Kietäväinen's thought about a reward system which supports individual's mental growth and at the same time supports the strategic objectives of the organization. For example, they mention rewards that support an individual's time management and task prioritization, which helps the individual in their work development.

### 3. KEY ACCOUNT MANAGEMENT

This chapter will focus on key account management (KAM). At the beginning of the chapter, we go through the concept of KAM and try to create a general picture of what is KAM selling. After that, we explain the role of key account manager (KAMgr). At the end of the chapter, we discuss what it takes to implement the KAM model. The meaning of this chapter is to create a basic idea of KAM and its most essential features.

#### 3.1. Key account management and selling

Key account management or selling is a strategic discipline within business-to-business marketing to ensure long-lasting development and co-operation with strategic customers. (McDonald, M. & Woodburn, D. 2007; Marco, H., Davies, M., Guesalaga, R. & Holt, S. 2018: 2.) Homburg, Workman Jr. & Jensen (2002.) described KAM as a special performance of special activities that focus on the organizations most valuable customers whereas Wang & Brennan (2014.) describe that the term KAM symbolizes the factor that the customers are seen as a long term investment from the suppliers' point of view. The investment may require short term losses to gain long term profits.

Before defining the role of key account managers, an organization needs to figure out what is the role of KAM itself. Organizations usually think that KAM is just another way to make sales with the customers and it is left at the salesforce shoulders. KAM itself should be noted in the corporate strategy and therefore make an impact internally on the organization operations and culture, and externally on the marketplace (Figure 4.) These important internal and external activities are the core of KAM. (McDonald et al. 2007: 284-289.)



**Figure 4:** The role of key account management internally and externally. (Imitated from McDonald et al. 2007: 285.)

Organizations realize that key account selling demands special attention. (Zimmerman & Plythe 2018: 298.) Key accounts selling possess certain characteristics that are important in managing the key accounts. Key account customers are crucial to the supplier company because if the customer goes elsewhere the supplier company could lose important customers that are valuable to the company's success. Therefore, the supplier company needs to take care of the valuable customer and that may include changes in their methods, business practices, and products to keep the client happy. These changes need flexible and boundary-spanning moves from the supplier organization (Piercy 2009.) Managing the key account customers involves cooperation between different channels and that emphasize the communication that is needed, and the salesperson has a big responsibility in that. Focus is to work with the customer and together figure out how to lower costs and improve efficiency. This is a complicated process that needs long-lasting negotiation frequent contact between the supplier and the customer. (Zimmerman et. al. 2018: 298.) Long lasting relationship between the supplier and the customer usually produces good results like revenues and profits, market knowledge and new business opportunities. (Marcos et. al. 2018: 92.) The supplier needs to analyze and understand the customer and its needs to develop a good supplier-customer relationship to establish a long-lasting relationship. (Marcos et. al. 2018: 114.)

### 3.1.1. Customer understanding

Fundamental understanding within the customer and the supplier is a winning aspect of KAM. (Guesalaga, Gabrielsson, Rogers, Ryals, & Marcos 2018.) However, Marcos et. al. (2018: 59.) reveal that when asked the question in many business-to-business organizations and many key account managers, 'how well do you understand the world your customer is in?', they will typically say that they know the customer well. Nevertheless, research has shown that the situation is the opposite and companies do not understand the customer as good as they say they would. Usually, the mistakes are made when collecting information about the customer. Customer insight is not made systematically and that is the reason why the collected information cannot be used accurately. To get quality insight suppliers needs to get beyond just the customer statics and get to know the customer 'DNA'. Knowing the customers 'DNA' helps to turn the customer's decisions to purchases or to keep them loyal to your brand. Challenges in getting to know the customers 'DNA' is that in business-to-business the insight has always some lagging and therefore the insight is difficult to manage. Additionally, every customer and therefore key account is very different from each other even if they are in the same line of business. Hence collecting customer insight must be collected case-by-case basis and it is the key account managers' job to do the overall analysis, even though they would have other resources available. Key account managers have the issue to create and control multi-level and complex relationships where a number of people and different drives are involved in decision making. Also, international or global customers makes it even more complex trying to create a good picture of the customer. Ryals & Holt (2007.) also mention the complexity of the key accounts. Their research revealed that those suppliers that managed the complexity of their key customers made a better business than those who were not so successful in managing the complexity.

To help to understand the customer a little bit better Marcos et. al. (2018: 60-61.) presents Sue Holt's Wheel Of Customer Understanding in Figure 5. The areas of the wheel are results of Holt's research that involved a number of different companies and their customers. Holt's research had over 50 interviews and what is important of them was that over half of them were customers or clients that mentioned most competent KAMgrs did everything in their power to understand the customers business environment, opportunities, and challenges.



**Figure 5:** Holt's Wheel of customer understanding. (Imitated from Marcos, et. al 2018: 61.)

In a supplier-customer relationship, the knowledge from one another increases when co-creating value. (Hakanen 2014.)

### 3.1.2. Value creation

Value creation thinking has shifted its focus from being in the products and services to more fundamental value creation. Now the whole process of products or services is embedded into the customer practices. Value is co-created with the customer and this process underlines the long-lasting customer relationship and good customer experience. (Marcos et.al. 2018: 5) Equally Padro, Henneberg, Mouzas & Naudè (2006.) see value as a fundamental business exchange and it is the basic process to emphasize suppliers and customers thoughts in business.

To co-create value with key customers the customers' processes like resources and other activities that are managed need to be understood. To achieve value co-creation suppliers

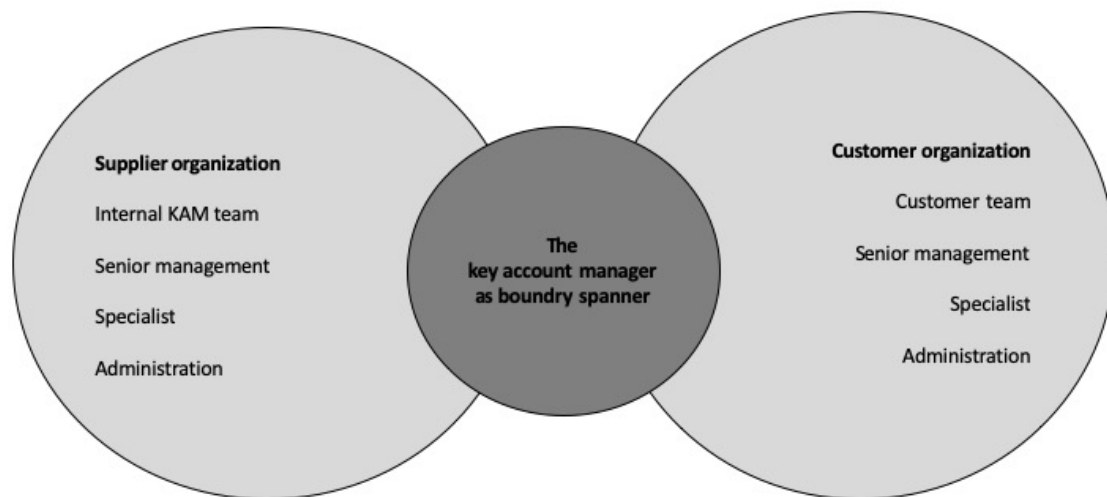
and customers have to find a structural fit between their activities, and to achieve that there needs to be plenty of communication and collaboration. The value creation is linked within the customers and supplier's functions. (Marcos et al. 2018: 6; Padro et. al. 2006.) Moreover, co-creating value is an intangible resource for both customer and supplier, and therefore it is rare and hard to copy by competitors (Guesalaga et al. 2018). To illustrate previous, several studies (e.g. Jones, Richards, Halstead & Fu 2009; Gounaris & Tzempe-likos 2013; Richards & Jones 2013.) have shown that quality build relationship in KAM transfer to financial performance.

### 3.2. Key Account Manager

Key account manager's position is the cornerstone of KAM. The role of KAMgr is not necessarily to get the best results in sales volume but to create a long-term relationship with key accounts by co-creating value. (Guenzi, P., Padro, C. & Georges, L. 2007.) KAMgr's role different from a traditional buyer-seller relationship and is far more complex and multifaced. The role of KAMgr needs to evolve from a traditional buyer-seller relationship to a more comprehensive role where all parties seek value and are focused on co-creating value with collaborative ways of working. (Marcos et al.2018: 166.)

McDonald et al. (2007: 289.) narrate that there can be numerous roles that the KAMgrs' role can be expressed, but they divide it into two roles; *implementation* and *facilitation*. *Implementation* means that KAMgr decides what happens in an account and makes sure that it is delivered. From KAMgr's implementation demand creating fitting strategies and plans which are based on a deep understanding of the customer. *Facilitation* means developing a relationship that will allow the business strategy to succeed. Relationship requires a key point contact into the customer and its functions, and also relationship building with the customers' suppliers and perhaps other external associates also. KAMgr's have to balance with these two roles. Building relationships are pointless without a business purpose, and business strategies are likely to fail without placing the right network of relationships. Equally, Marcos et al. (2018: 168.) see KAMgrs' role as multifaced where internal (process driven) and external (customer focused) orientation is needed. KAMgr have a boundary-spanning role (Figure 6) and can be seen as business managers how has given a business risk which involves specific areal responsibilities. Wilson & Millman (2003.) define KAMgr role as a political entrepreneur where the KAMgr has a boundary-spanning role working externally with the customer and has an internal interface with the employer organization. "*People occupying the role of boundary spanner*

*have been variously described as linking pins, information brokers, gatekeepers, providing human bridges, and the organization's antenna in the external business environment.”* Also, McDonald et al. (2007: 291.) define that boundary-spanning role is fundamental to KAM and therefore to KAMgr and KAM by definition should be boundary-spanning.



**Figure 6:** The boundary-spanning role of the key account manager. (Imitated Marcos et al. 2018.)

KAMgr’s role can be seen as a management process and not sales process where the role takes the KAMgr in areas such as market analysis, benchmarking and business developing. Many KAMgrs are underprepared for this kind of wider and more demanding role that key account management possess. (Marcos et al. 2018: 166.) Research shows that senior manager still sees the KAMgr’s role mostly customer-focused and forgets the internal role of KAMgr. KAMgr as a boundary spanner typically spends his or her time around 60% in internal activities, and around 30% in external activities and around 10% goes to account planning activities. So, on average, the internal time is twice the time that is spent with the customer. Internal activities are valuable because the customer expects the KAMgr to carry out a range of customers activities back to the supplier organization. Customers have described the KAMgr role as championing the customers' requirements back to the KAMgr's organization. (Marcos et al. 2018: 170.)



The end goal of KAMgr is to gain long-term value for their key customers and also to their own organization. In a value-driven environment KAMgrs face special challenges. Research has identified eight different challenges that KAMgrs have to overcome: *value ambassador, strategist, innovator, rainmaker, team builder, silo buster, planner and change agent*. KAMgrs need to act as a *value ambassador*, meaning they need to understand the customer value and how to respond to these needs. (Marcos et al. 2018: 170.)

**Value ambassador** needs to understand what brings value to the customer and acknowledge customer needs. (Marcos et al. 2018: 170.) As a customer's conduit or advocate, KAMgr is the focal point of contact. The focal point of contact does not necessarily mean that KAMgr is the single point of contact, but the customer likes the idea that one person is responsible for their relationship. As an ambassador and focal point of contact KAMgr acts as; single point of on contact, strategic point of contact, a similar point of contact and as an escalatory point of contact:

*A single point of contact:* KAMgr is responsible for customers' needs and is prepared to be a channel to any customer issue.

*A strategic point of contact:* KAMgr understands strategies from both sides and tries to align them. Being a strategic point of contact means that KAMgrs needs to realize that they cannot be everywhere at once, so they create other key contacts at local and regional level.

*A similar point of contact:* the customer is looking for a key person that they feel comfortable with who has the right authority to manage the relationship.

*A escalatory point of contact:* KAMgr works out any issue or problem there may be and takes it up in the supplier organization if necessary. (McDonald et al. 2007: 291-292; Marcos et al. 2018: 170-171.)

Being a **strategist** is what really makes the difference between selling and KAM. KAMgr's need to develop a strategy that focus on one customer. As a strategist, it is yet again a multifaced role with building strategic relationships. Facilitating relationships that have different levels and functions in both organizations which allows KAMgr to delegate and empower local teams. Building a long-term strategy with the customer that builds a long-term relationship that underlines co-creating value. (Marcos et al. 2018: 172-173.)

As **innovator** KAMgr need to look into the future and try to bring out creative and innovative ways to create business opportunities that add value to the customer. Innovative and tailored solutions make sure that the customer also views your organization as a key supplier. (Marco et al. 2018: 174-175.)

**Rainmaker** refers to the ability to do business and to the fact that they can sell. It is said that salespeople cannot be good KAMgrs because they lack skills in project management, strategy, and leadership. However, without sales, there is no revenue, and without revenue, there is no business. Salespeople are good with customers, can handle rejection and are motivated to make money, to sell. Salespeople can surely be excellent KAMgrs, but they need to develop some additional skills. (Marco et al. 2018: 175.)

**Team builder** refers to managing cross-functional and most likely virtual KAM team. KAM needs a team to fulfill certain types of expertise, so KAMgrs need to develop leadership skills to manage the team. Usually, the team is virtual, so KAMgrs need to have influence without authority. (Marcos et al. 2018: 175-176.)

**Silo buster** refers to the fact that KAMgrs need to operate horizontally in their organization to succeed in KAM and most organizational goals are operationally focused, and therefore KAMgrs need to bust this "silos" to get things done for the customer. To get these other cells in the organization like supply chain and R&D to work with KAMgrs, KAMgrs need to be good networkers. KAMgrs may need to bust customers silos also, and therefore functional networks in both sides are great for the key account. (Marcos et al. 2018: 176.)

Role of **planner** highlights the fact that plans are the road to effective KAM. To be able to produce detailed and innovative plans and through plans make the strategy into action. Previous requires a deep understanding of the customer and proper project management and planning skills. (Marcos et al. 2018: 176.)

**Change agent's** role comes to play as KAMgrs deal with new strategies and getting your own organization to do something differently. The key customer may need something altered in services, products or in reporting. Key accounts require different ways of doing business, and therefore KAMgrs role requires skills in change management. (Marcos et al. 2018: 177.)

Guesalaga et al. (2018.) state that KAMgrs are a tangible resource that tie the gap between the customer and the supplier. KAMgrs are business professionals that dedicate their know-how to particular customers. Customer expectations are high, and the customer expects KAMgrs to read the customers future needs and know their value-creation process, build trust and offer innovative solutions. KAMgrs expectations are high and highly skilled KAMgrs are rare, which highlights their importance in creating unique value for clients and suppliers.

### 3.2.1. Competence and skills

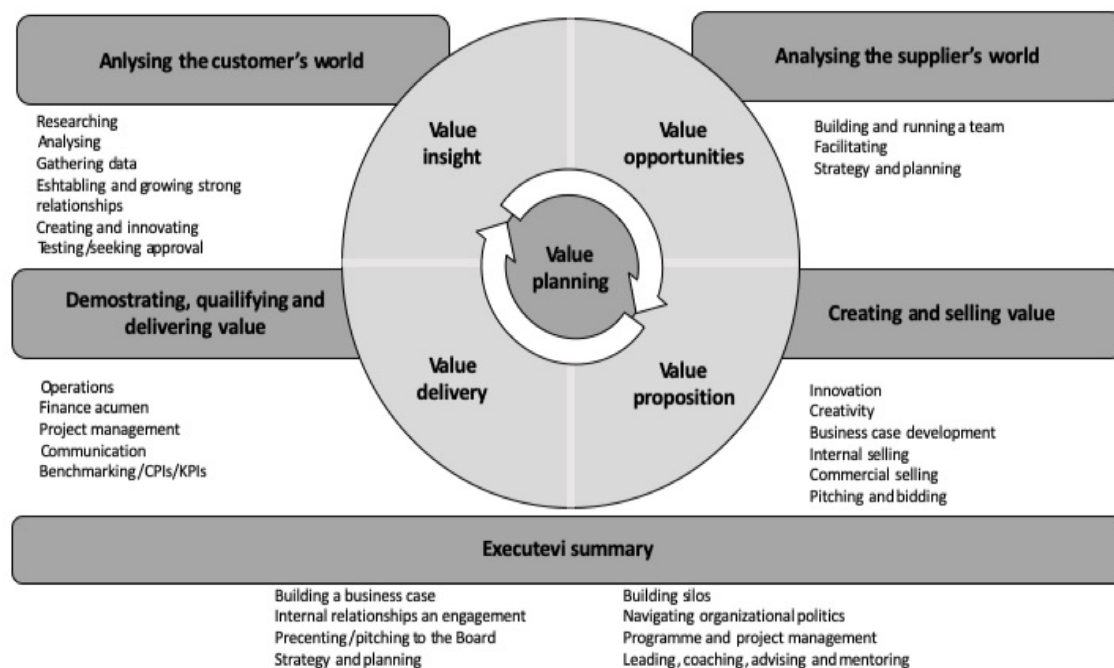
KAMgrs skills and competence needs are far more different than a traditional salesperson has, and the role stretches from the traditional sales function to a more customer-centric role that encompasses the whole organization. (Marcos et al. 2018: 166; Mahlamäki, Rintamäki & Rajah 2018.) Hence, KAMgrs need capabilities in a large-scale, and no single person can master them all. (McDonald et al. 2007: 308; Marcos et al. 2018: 178.) There are also some personal qualities for successful KAM. (Marcos et al. 2018: 178.) Table 1. illustrates different kind of competencies, attributes, and skills that literature suggests that need to be executed to succeed in KAMgrs role.

<b>Trait</b>	<b>Attribute</b>	<b>Authors</b>
Core competence and attributes	Business manager, entrepreneur, customer manager, tactician	(McDonald et al. 2018: 308-309.)
KAMgrs effectiveness	Communication quality, customer trust, intrapreneurial ability, and strategic ability	(Sengupta, Krapfel & Pusateri 2013.)
Skills and qualities	Sales qualities, subject knowledge, thinking skills, managerial skills	(McDonald & Rogers 1998: 120)
Personal qualities	Passionate, persistence, confidence, proactive, transparent, positively competitive, committed and responsible	(Marcos et al. 2018: 179.)

Trait	Attribute	Authors
Competences	Researching and investigating, innovating and developing, strategizing and planning, selling and negotiating, communicating and coordinating, driving operational standards.	(Marcos et al. 2018: 177-178.)

**Table 1:** Key account managers competence and personal qualities.

Marcos et al. (2018: 177.) link the competencies and skills to value planning and describes what competencies are required in the value planning cycle. (Figure 7.)



**Figure 7:** Linking the KAMgr competence to the Value Planning Framework. (Imitated Marcos et al. 2018: 177.)

KAMgrs role is difficult and demands very much from those who are selected to act as KAMgr. (McDonald et al. 2007: 311.) To illustrate the above Mahlamäki et al. (2018.) found that learning orientation and performance orientation have a close relationship with

KAMgrs' job performance. Organizations should try to motivate and encourage KAMgrs to learn and study different features of their KAM work. To succeed in motivating and learning organizations should provide resources, knowledge, and technology for the KAMgrs. One way of motivating is creating a bonus system that supports their actions.

### 3.2.2. Teams

Research shows that team sales are typically put into operation when customer requires special treatment. (Jackson, Windemier, Giacobbe & Keith 1999.) Cross-functional teams are important because they possess the knowledge that has the potential to build competitive advantage for the seller-buyer dyad. (Guenzi, Pardo & Georges 2007.) KAM is a complex subject and teams make better results when things need a combination of multiple skills, and teams help especially in internal matters. (Salojärvi & Saarenketo 2013; McDonald et al. 2007: 295.) Hence teams are used in KAM because of the selling processes is beyond any individual's efforts. The complexity of the relationship in key accounts leads to using teams and because of that KAMgrs also need to manage the team activities. (Guenzi et al. 2007.) KAMgrs may not have any experience of leading a team or they lack the authority, so teamwork needs to be part of the sales environment. (Salojärvi et al. 2013; McDonald et al. 2007: 296.) Building a team and being part of a team that has common goals and work together has a positive cohesion and it raises the feeling of togetherness in employees. (Salojärvi et al. 2013.)

KAM teams are cross-functional, and the set up depends on the supplier's set up, but typically the team has members from both frontline key delivery functions and support functions. (McDonald et al. 2007: 299; Marcos et al. 2018: 184.) Usually, the cross-functional team covers functions such as supply chain, logistics, research & development, customer service, marketing, finance and legal. (McDonald et al. 2007: 300; Zupancic 2008; Marcos et al. 2018: 184-185.) Teams have strategic and operational responsibilities, and the team should be involved in key account planning for the customer as well as execution and monitoring. (Zupancic 2008; Marcos et al. 184.) However, these cross-functional teams are also complex, so they are challenging to design and manage. (Guasalaga et al. 2018.)

KAM teams are continually evolving, and teams have a dual challenge in enabling customer access to suppliers' resource and creating value throughout the whole system. (Guesalaga et al. 2018.) Hence, Guenzi et al. (2007.) narrate that relational selling has

shifted towards sales teams who are devoted to creating value and one of the most distinctive components of relational strategy is the team approach that is used to create value to the customer. Suppliers that are good at organizing and coordinating their team functions in their organization so they can deliver value to the customers are more likely to be successful in business. (Guesalaga et al. 2018.)

KAMgrs should think what makes KAM team a successful one and realize that KAM team is not a selling team. KAM teams need a KAMgr who knows what is going on with the key account and has the big picture insight, is the strategic link with the customer, gives direction, identifies projects and opportunities and can be relied on. (McDonald et al. 304-304; Marcos et al. 2018: 187-188.) Research has identified eight different factors for successful KAM team and they are presented in Table 2.

Success factors for KAM teams		Authors
<ul style="list-style-type: none"> <li>• Defined organization</li> <li>• Defined team roles and goals</li> <li>• Good communication channels</li> <li>• Exchange of ideas and knowledge</li> </ul>	<ul style="list-style-type: none"> <li>• Senior manager support</li> <li>• Local empowerment</li> <li>• Customer understanding</li> <li>• Trust</li> </ul>	(McDonald et al. 2007: 303.)
<ul style="list-style-type: none"> <li>• Strong leadership by the KAMgr</li> <li>• Clear role and goals</li> <li>• Shared strategic account plan</li> <li>• Defined communication channels</li> </ul>	<ul style="list-style-type: none"> <li>• Defined team charter</li> <li>• Trust and transparency</li> <li>• Celebrate team success</li> <li>• Team recognition and rewards</li> </ul>	(Marcos et al. 2018: 187.)

**Table 2:** Success factors for KAM teams

*"KAM is an organization-wide challenge that requires internal partnering and internal marketing."* (Guesalaga 2018.) KAM team can establish to the customer that the supplier is taking the supplier-customer relationship seriously. Teams act as consultants which enhance the relationship into more strategic partners where the supplier becomes a trusted

advisor. Teams increase the relationship commitment level between the supplier and the customer, and this makes it difficult for the customer to change supplier. (Salojärvi et al. 2013.)

### 3.3. Key Account implementation

Successful implementation of KAM requires that the whole organization is on board and adopts KAM orientation. Most essential aspects are adapting attitude-related and behavior related values. These adaptations include customer orientation, top management involvement, ability to customize for valuable customers and interfunctional coordination and support. (Gounaris et al. 2013.) The challenge is usually introducing KAM, or poor internal alignment between KAM unit, or other organization units may cause problems, and the whole KAM process is likely to fail if senior management does not demonstrate their beliefs and the importance of KAM. (Millman & Wilson 1999; Pardo, Inves & Wilson 2014; Marcos et al. 2018.)

KAM thinking process can be divided into three central parts: strategy, operations/capabilities, and change. (McDonald et al. 2007: 245; Marcos et al. 2018: 292-293.)

Strategy level transitions are important when implementing KAM. (Marcos-Guevas, Nätti, Palo & Ryals 2014.) To ensure that KAM strategies are developed in the organization Marcos et al. (2018: 293.) suggest that top managers and important KAM team members form a group which oversees the implementation of KAM, and board-level director would be helpful to support the group. Strategic processes in KAM requires both external and internal evaluation and alignment. (McDonald et al. 2007: 249; Storbacka 2012; Marcos et al. 2018: 293.) The strategic analysis starts from the environment and market where your organization operates. (Marcos et al. 2018: 293.) McDonald et al. (2007: 249-255.) identifies different strategic processes in KAM. Criteria for key account customer selection must be made clear so the KAM portfolio can be built, and deselection of key account customer should not be made lightly or on short-term evidence. Once the portfolio is made someone should oversee the performance of the key customer portfolio and make adjustments if needed. KAM requires boundary spanning functions like cross-boundary development and information collection and these need to be fitted into company's structure. Organizations must also decide the best way to share knowledge. Often KAMgrs develop good practices with key customers, but because of lack of knowledge sharing

some people fail when others succeed, when they could have learned from internal practices. Supplier organization should also take care of its resources and make sure which customers receive them.

The operational level implementation needs certain features and the most valuable of them are KAMgrs and KAM teams. KAMgrs and KAM teams need certain capabilities to succeed in this new framework. (Marcos-Guevas 2014.) Primarily KAM is a different way of doing business, so it requires components and principles to work. KAM Framework (Figure 8.) can be used as capability standard and this framework can be overwhelming and not everything has to be done at once. Organizations should adopt these ways of working but make them work in your way in your organization. (Marcos et al. 2018: 294.)

Change is always required when the way of doing business change. Kotter's eight-step change model showed in chapter two is a perfect fit for KAM program development and each change for KAM is illustrated in Table 3. Most changes fail in the first stage because of the lack of belief and the understanding that change is needed. It is shown that lack of understanding of what KAM is narrow down the traction of the organization and KAM. (Marcos et al. 2018: 294-295.)

<b>Change stage</b>	<b>KAM application</b>
<b>1. A sense of urgency</b>	Conduct an external/internal audit. Why do you need KAM?
<b>2. Form a powerful guiding coalition</b>	Develop a cross-functional KAM steering group. Have board-level sponsorship.
<b>3. Create vision for change</b>	The KAM steering group develops a strategy (they utilize the KAM framework). A clear set of actions to build a KAM business model.
<b>4. Engage and communicate the vision</b>	Connect with the wider business. Explain the case for change, the vision and the way forward. Seek 'buy-in' from key stakeholders.
<b>5. Empower others to implement</b>	Look to involve talent in the organization outside the KAM steering group. Develop training and coaching programmes to develop KAMgrs and their team.

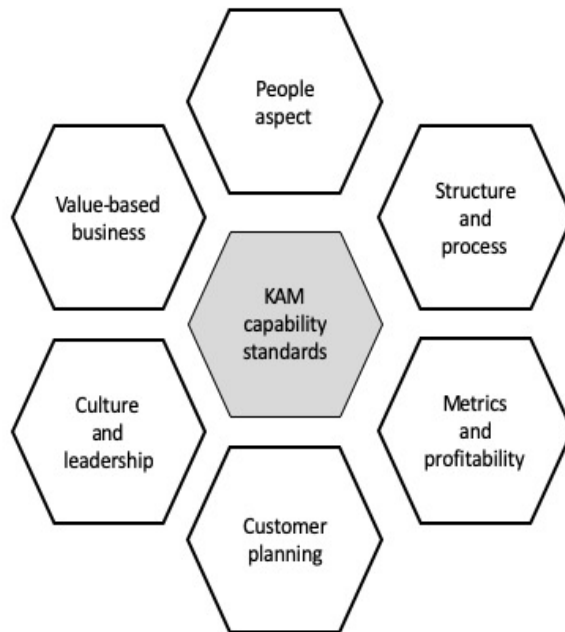


<b>6. Create quick wins</b>	Seek to generate KAM plans that drive growth. Write these up as case studies. Gain customer endorsements to add weight to the impact of the KAM approach.
<b>7. Build success</b>	Involve a wider circle of organization employees. Engage with more senior/middle managers. Use Webinar and other internal communication systems to talk about success.
<b>8. ‘Stick’ – it is just the way things are done around here</b>	Eventually... the job is done. KAM becomes ‘just the way we do things around here...!’ (But don’t get complacent – review your strategy on a regular basis.)

**Table 3:** Driving change in KAM (Imitated from Marcos et al. 2018: 295.)

### 3.3.1. The KAM Framework

The KAM Framework (Figure 8.) describes the standards of KAM organization and offers structure and definitions that can be carried out as activities in KAM. the Framework has been tested in various organizations and has provided insight and has an impact for organizations that are struggling to advance KAM. The KAM Framework helps to explain visually what capabilities and structures are needed in KAM. KAM Framework has divided into six main segments: *people aspect*; *structure and processes*; *metrics and profitability*; *customer planning*; *culture and leadership*; and *value-based business*. (Marcos et al. 2018: 298-299.)



**Figure 8:** The KAM Framework (Imitated Marcos et al. 2018: 299.)

**People aspects:** All the people in KAM (KAMgrs and their leaders, KAM team members) are important talents in KAM and they should be selected, trained, coached and motivated in the right way to become a valuable asset in your KAM business.

**Structure and processes:** You have to have the right talents working with KAM but they also need to be in the right location doing the right things. The whole organization has to have a good understanding of what their role is in KAM e.g. how to assist the KAMgr.

**Metrics and profitability:** KAM business model requires more levels in processes and therefore in measuring. The nature of KAM is creating unique value to both customer and supplier so therefore its performance subsequently has to be tracked.

**Customer planning:** Planning is no new concept, but KAM planning needs to be done customer by customer and supplier should drive towards innovative and value-adding plans.

**Culture and leadership:** As stated earlier KAM usually fails when people do not understand it or they do not believe in the need of change and therefore it is vital that the culture

and leadership is on point and the leadership believes in the change and are willing to fight for change in the culture.

**Value-based business:** Value-based business refers to changing the thought process from sales to value creation or value co-creation. These may be just subtle changes in word but have a great impact when used to communicate the intent of a progressive organization. (Marcos et. al. 2018: 299-201.)

Adopting KAM orientation and building organizations readiness from transaction-based to relationship-based KAM reflects the supplier willingness and ability to respond effectively to key accounts needs in cultural and behavioral perspective in the business-to-business context. KAM orientation represents a set of values and attitudes that the supplier has towards key account customers and also the values and attitudes that the supplier has in their KAM practices. (Gounaris & Tzempelikos 2014.)

## 4. METHODOLOGY

This chapter introduces the research's methodology. The chapter starts by going through the research methods. After research method we introduce the case organization. Then we find out how the research data was collected and why these methods were chosen. At the end of the chapter we state the reliability and validity of this research.

### 4.1. Research method

This master's thesis is produced by using qualitative research methods. The premise of qualitative research is to build a picture of real life, and it is associated with an interpretive philosophy. (Hirsjärvi, Remes & Sajavaara 1997: 157; Saunders, Lewis & Thornhill 2012: 163.) Therefore Eriksson & Kovalainen (2008: 5.) state that qualitative research by nature aims to a holistic understanding of the subject that is studied. Qualitative research prefers people as a research instrument. The research subject group is selected appropriately but the research is produced flexibly because the environment in hand can shape the research. The research is treated as a unique case and the data is interpreted as the case presents it. (Hirsjärvi et al. 1997: 160.) Qualitative business research focuses on complex business-related phenomena and produces new knowledge of how things work in real-life business. (Eriksson et al. 2008: 3.)

Qualitative research approach deal with social and cultural constructions. It tries to understand the reality that is produced and interpreted through cultural meaning. (Erikson et al. 2008: 4-5.) This set-up fits for this research because of a considerable part of strategy implementation is individuals and groups interpretation about the company's strategic choices, how they see the meaning of it, and does it drive their behavior.

Typically, in qualitative research has an inductive approach where the focus is on creating new or more precious theory from the emergent research. Some qualitative research approaches use a deductive approach where they test existing theories using qualitative procedures. Also, many researchers use the abductive approach, where known premises are used to generate testable conclusions. (Saunders et al. 2012: 144;163.) This research is produced by using an abductive research approach that can be seen as a combination of inductive and deductive approach. The theoretical framework (presented in chapter 2. and

3.) acts as a guideline for the research and creates a connection to the case. Conclusions are made by using the theoretical framework and empirical findings.

The nature of the research design is exploratory; it is conducted by including a search of the literature, individual interview, and a group interview. The exploratory study asks open questions to discover what is happening and gain insights about the phenomenon. The exploratory study tries to understand the problem at hand and the nature of the problem. (Saunders et al. 2012: 171.)

#### 4.2. Case organization

Metso is a Finnish industrial company that operates on a global level. Metso offers equipment and services in mining, aggregate, recycling, and industrial valves and pumps. Metso is a world-leading company that has over 14,000 professionals working in 50 different countries. Metso provides a global network, and its services cover 55% of annual sales. Metso is listed on the Nasdaq Helsinki and had sales approximately EUR 3,2 billion in 2018. In summer 2019 Metso announced that they will be merging with their competitor Outotec. More specifically, Outotec and Metso Minerals fusion to create a leading enterprise in rock and minerals and metal recycling business. Also, Metso Flow Control, which is responsible for industrial valves and pumps, becomes a separately listed company, Neles, which provides flow control equipment and services. (Metso 2019a, 2019b.)

This Case study is about Metso Minerals. Metso Minerals is responsible for mining, aggregates and metal recycling processes and services. At the end of 2018 Metso Minerals revenue was 2 742 million EUR and had 9 611 employees. This thesis is focused on aggregates sales which supply their customers with mobile and stationary rock crushing plants, screens, feeders and conveyors. They also take care of maintenance services and provide spare and wear parts. (Metso 2019a, 2019c.)

#### 4.3. Data collection and data analyze

In this research, the data was collected by using face-to-face theme interview with open questions and formal survey that had a combination of structured and open questions.

The face-to-face interviewee was head of his line organization and responsible for the strategy implementation. The themes of this interview focused on the challenges of strategy implementation and getting to know the account model in the case organization. Meaning of this interview was to create an understanding of how the manager see the strategy implementation process, and what are the objectives and future challenges. Another purpose of this interview was to get better insight for the researcher about the research subject and to get to know the case organization. Date of the interview was the 21<sup>st</sup> of March and the duration was 52 minutes.

The survey was sent to all the named Account Managers that worked in aggregate sales in the Metso Nordic Market Area. The structured questions of the survey concerned of; work experience in sales, work experience in Metso, represented country organization, and experience in Account sales or Account management. Meaning of the structured questions was to get a feel about interviewees and get some background information about their experience in sales and key account management. Also, the represented organization country was asked to compare any cultural differences that might occur. The surveys open questions focused on knowledge of the strategy, information of the implementation and knowledge of the Account Management. Meaning of these questions was to get to understand where they are in the strategy implementation. Challenges of the survey were getting enough answers, and unfortunately, most of the answers were short even though they were requested to answer with full sentences. Ten from the seventeen Account Managers responded to the survey, so the answer percent was 59. Answer percent was little low considering the survey was promoted inside the company. Reminder to respond to the survey was sent two times. From those who answered 40% worked in Sweden, 30% in Norway and 30% in Finland. 50% of them have worked under five years in Metso and 50% of them over ten years in Metso. 10% of them had under five years of experience in sales, 20% had five to ten years of experience in sales, and 70% had over ten years of experience in sales. 40% did not have experience in Account Sales or Management, and 60% already had experience of them. The survey answers were collected between the 13th of May and the 30th of June. Reason for doing a survey via internet was to get more comprehensive answers from all the country organizations. Reason for doing a survey was to get more comprehensive answers from all the country organizations. All the interviews were done anonymously to ensure the answers were handled ethically.

There are a lot of different ways to analyze data. In this research, the analyzed data were categorized to fit the literature framework. Different subject areas help at the empirical

findings and make the comparison easier. Subject areas may also help in the conclusions. This research uses theory-linked analyze. In theory-linked analyze the links between the theoretical framework and the empirical findings are evident even though the findings are not directly based on it.

#### 4.4. Reliability and Validity

In every research, you have to estimate the reliability and validity of the study. Reliability refers to the repeatability of the study, meaning the research's ability to give non-accidental results. (Hirsjärvi, Remes & Sajavaara 2010: 231.) Reliability can be measured in a number of different ways. Some of them are e.g., studying the same object in a different time frame with the same methods you should get the same result. Or studying the same object with different research methods, you should get the same result. (Hirsjärvi & Hurme 2011: 207) Another factor that has to be estimated is validity. Validity means the ability of the chosen research instrument to measure the issue that it was supposed to be measured. Instruments and methods do not always correspond to reality e.g. in a survey, different responders may have understood the questions differently as the researcher has intended. (Hirsjärvi et. al 2010: 231.)

In qualitative research, the concepts of reliability and validity are not so apparent as in quantitative research. This aspect highlights the researcher's ability to explain the research in hand. (Hirsjärvi et. al 2010: 232.) In qualitative research and especially in interview material inclined analyses, the researcher has to try to strive toward successful research results. Successful interpretation of a research is when the reader finds the things as the researcher did even if the reader did not have the same point of view as the researcher. (Hirsjärvi et. al 2011: 151.)

In this research, it was a well-founded solution to use a different kind of interview methods. Face-to-face interview with management produced valuable insight into the current position of the strategy implementation as well as the past. Selected themes produced good conversation. The face-to-face interview also made the management think about the issue in hand. A semi-structured survey via the internet for the employees was also well-founded because the employees were located in different countries. Even though a face-to-face interview with employees would have been more enrich and would have produced more conversation. The intention of the survey was to cover the whole sales staff

and produce more profound insight into how the employees perceive the strategy. This research could be reproduced in similar companies that are in a similar situation, and the research material could be utilized in similar kinds of researches.

The complexity and scale of the subject of this research brought challenges to this case study. As a topic, strategy implementation covers multiple processes, and therefore it brought difficulties in producing coherent research study. Hence it required a lot from the researcher to manage the study.



## 5. EMPIRICAL FINDINGS

This chapter introduces the findings of strategy implementation and account-model that are found from the interview and survey. The findings are presented through the subject areas that are relevant to strategy implementation and to this case study. Selected subject areas help find similarities and differences comparing to the literature review and within the case itself.

### 5.1. Current position in strategy implementation

As the literature reveals in strategic process planning, the companies have to think about their strengths, weaknesses, and possible outcomes that the strategic choices will produce. (Mintzberg et al. 2003: 73.) Companies are battling each other to gain a competitive advantage in the market. The following statements show that the organization is thinking about their strategic choices and how to apply them in their market area.

*"...there hasn't been any new outlining in the [corporate] strategy but the meaning of customer orientation, increasing service levels and improving response times has been highlighted, and those are the clear [strategic] points... we can clearly improve our operative activities." (Leader X)*

*"The direction where to head comes from my superior, who is in charge of this market area. And now he has defined his organization so that my responsibility is development of aggregates and one step in that process is customer classification and the following measures." (Leader X)*

As mentioned above, the strategy implementation has come from the top, and now it is Leader X job to implement it. The organization has decided that they need to make the change happen. As the literature suggests, this kind of strategy implementation model can be seen as a selective implementation program where the implementation requires significant strategic changes but only in a selective area. (Lynch 2000: 758-760.)

### 5.1.1. Management point of view

*“Now we don’t have a clear strategy for customer control.” (Leader X)*

To achieve the goals, it has set for itself, the organization have to get the whole staff to carry out the same strategy. Today's workforce mostly uses knowledge as their work tool and organizations face the challenge to get everybody's heart and mind to work for the same directions, carrying out the strategy. The following shows that the organization has been thinking about what they want to achieve in the future.

*“We have [corporate level] initiatives within Metso dealing with customer care, what it is, and where these things are planned.” (Leader X)*

*“More of that customer orientation and improvement of service level...clearly we could improve operative actions...thriving towards more open communication and that we could get answers to customers through one channel.” (Leader X)*

*“We plan to build a clear structure how to deal with a certain type of customer and ... we have to start somewhere and I’m sure there will be changes like what the optimal model will be like.” (Leader X)*

## 5.2. Tangible strategy implementation dimensions

### 5.2.1. Resources

The responsibility lies in the hands of the management. Strategy implementation needs resources, and this makes the implementation more challenging. (Yi et al. 2016.) Interview with Leader X shows that strategy implementation in the past has not been integrated with the resources. Also, strategies do not implement themselves and it is especially managements role to be determined and implement the strategy. As the literature show, it is hard to shake the habits from day-to-day management that concentrates on operations and control. Strategy management is complex and requires non-routine and organization-wide efforts. (Johnson 2008: 11)

*“Maybe there is some discontinuity [in the process] because there has been changes within personnel lately. The Country Manager has changed, and the director of the market area is also new. Manly because of job rotation.” (Leader X)*

*“ And because those Country Managers have quite a lot of everything else [to do], some of them are themselves in charge of some customers and...You can't even presume that when you are responsible of own customers and many other things, and HR and everything else, so you can't make the change happen just like that without any support.” (Leader X)*

*“Yeah, we have lacked persons driving this common, shared issue to all countries. The activities have been very country specific, like you can decide how you do it in your own country as long as you get results.” (Leader X)*

In strategy implementation, it is important to have a person who is responsible for the strategy implementation, has the 'helicopter view' and tries to involve others in strategy making. (White 2004: 634-635; White 2008: 11) The interview with Leader X reveals that the organization has identified the challenges in the management level and has made the decision that oversees the strategy implementation. However, still, it seems that time management and controlling other day-to-day work at the same time is a challenge.

*“I think at least I have [time]. This is one of the most important duties, in a way, to make this happen. What it requires in the end is maybe to be seen, we don't know. Then of course my team members, their time goes to many other things, but of course we have agreed on certain priorities, like that mostly use your time to care of the biggest customers, and less to what is yet also important what is pricing to an ordinary customer, who phones to order a part.” (Leader X)*

*“Time control is a difficult equation, how it is finally spent.” (Leader X)*

*“This is more like in addition to your own work, to everyone. Perhaps it would be more rational to go ahead with a dedicated resource, but we can't afford now.” (Leader X)*

Kehusmaa (2010: 53.) underlines the importance of resources when it comes to strategy implementation. The implementation process should be carried out by those persons whose job description it suits the best. Kehusmaa also suggests building a workgroup where different individuals' efforts could be utilized in strategy implementation. Results show that the above has been thought, but they also reveal that resources that have been invested to this strategy implementation is limited.

Resources management is difficult and especially when it comes to humans. Slack et al. (2017: 336.) say that people are the most important strategic resources that directly affect to organization success. If the organization makes people feel that their participation and work is meaningful to the organization, then most people feel that their contribution is worthwhile. The KAMgrs were asked they if they made a clear picture of the Account model and have they had enough time to get to know the model. The answers among the KAMgr were various. It seems most of the KAMgr have not had the time to get to know the mode, and as KAMgr A points out they have not yet started to work with the model and that is why it is not yet known.

*"We still haven't started it, so the picture isn't so clear."* (KAMgr A, FIN)

*"No, I don't think so."* (KAMgr B, SWE)

*"I do not believe I have"* (KAMgr C, SWE)

*"Not yet."* (KAMgr E, FIN)

Some of the KAMgr has already worked this way, as it was pointed out by Leader X also. Still, it seems that there has not been enough time to get to know the model as KAMgr F says. Also, it seems the Norwegian organization has the best picture of the model and has worked with it. Yet, the time management to get to know the model thoroughly stays unclear in KAMgrs D and J answers.

*"No, I think the new model is the same model I have worked with all time but I need to know more."* (KAMgr F, SWE)

*"Yes"* (KAMgr D, NOR)

*“I have a clear picture of the account model and I am working whit it.” (KAMgr J, NOR)*

### 5.2.2. Control

To make sure that the implementation happens a control system needs to be established. Often the corporate governance focuses more on the operational level control than to the strategy implementation control. (Kamensky 2010: 322; Hitt et al. 2017.) Strategy implementation needs steps that can be controlled between different operations in the organization. Everyone knowing what, how, who and in what way the strategy implementation is controlled. (White 2004: 619; Kamensky 2010: 322.) Findings show that at the earlier stages of the strategy implementation that there has been a lack of control.

*“There was no one single perspective that this should be carried out in the whole market area, but that anyone can do as they like.” (Leader X)*

*“The launch [of the strategy] has been left halfway through, like it has been said Hey do it like this.” (Leader X)*

*“The plan is to have control [over the implementation of KAM], but it’s not on the paper yet, as we don’t have the approval to what is the classification, final.” (Leader X)*

*“We have monthly meetings of the executive team where this probably will be followed up. And of course, otherwise also to get some goals and when we get approval that this is the mode of action, then within certain time limit you have to have the classification done, persons in charge named and in CRM.” (Leader X)*

As it is revealed, at the time of the interview, the strategy implementation process was still at its earlier stages and control system was not yet established. However, Leader X has the mindset that the goals and guidelines need to be written down, and the strategy implementation needs to be monitored in the executive team.

### 5.2.3. Rewarding

According to the literature (Lynch 2000: 816.), a reward system increases the motivation to get the strategy implemented. At this point, the reward system does not support the strategy implementation of the account-model. However, there have been some thoughts about reward systems that would support the new model better. Leader X also points out that the reward systems are managed at a larger scale in the organization, and specific changes are a challenge in a large corporation.

*“Well we haven’t thought about anything else than the usual sales bonuses based on market area result, but of course the result of your own customers. I hope it will be more emphasized in future. The bonus program is not in my or the market area’s hands, but more like given. Of course, there’s some level of freedom, but maybe in future it could be better to motivate by using this [bonus system].” (Leader X)*

## 5.3. Intangible strategy implementation dimensions

### 5.3.1. Communication

Studies show that communication affects organizations success, and it is also revealed that most companies communicate unsuccessfully. (Kaplan 2002: 239-240.) Also, in this case, the findings show that the communication has not yet been successful. The idea of a more customer-orientated sales strategy has been there in the past, but the communication has not been effective enough to reach every group and individual in such matter that they understand the true meaning of it.

*“I don’t know if it has been launched earlier, but there has been a lot of talk that we should be in this model and that our salespeople serve their customers in a comprehensive way. But it has not had an overall approval. More like, in some countries it has been like, yes, this is a good thing, and this is how it works. And in other countries it’s like well I just sell machines, and you sell parts.” (Leader X)*

It seems, contrary to Slack et al. (2017: 337.), that appropriate process has been lacking to communicate the strategy down in the organization. With better communication, management can raise the awareness of the objectives that the implemented things are trying to achieve. Leader X points out a past event where it is very much clear that communication had failed in the implementation process.

*“The launch of CRM went wrong... even I had the feeling that this is just one way to lurk what the sales are doing.” (Leader X)*

Management should take all the opportunities that they have to communicate the strategy with every communication channel that they have in their use (Kaplan 2002: 239-240.) Following shows, that in this point of the strategy implementation, Leader X has recognized the importance of communication and reached out for help. Different channels, steps, and processes have been thought out.

*“We have this communication professional in our market area, who is in charge of marketing and communication. And, well with him/her it’s a lot about how these presentations are formulated and how this is presented, and what is the message why we do this.. And then of course it requires some internal newsletters or something like that. Then we have a monthly infocall for the market area personnel where it is possible to present these kinds of things. So, this is what we do. And the superiors will be in touch within the next months, so that one must start to have them [infocalls]as soon as we get the package ready, this is what we aim to.” (Leader X)*

Management should take all the opportunities that they have to communicate the strategy with every communication channel that they have in their use (Kaplan 2002: 239-240.) Following shows, that in this point of the strategy implementation, Leader X has recognized the importance of communication and reached out for help. Different channels, steps, and processes have been thought out.

Communications goals are to raise knowledge and understanding that strive specific behavior. Following shows that the true essence of strategy communication is internalized by the management.

*“...to get implemented so that everybody knows what it is about and how to act and manage. It has been communicated, but there is nothing concrete yet, like*

*what is the classification and actions, and this will happen probably in April.”*  
(Leader X)

However, when asked from the KAMgrs' about how much they have they had got information about the new account-model in that point, the answers had a lot of variation. The difference between country organizations can be pointed out.

*“No. Just a slight glimpse of the idea.”* (KAMgr A, FIN)

*“No again it has not been explained to sufficient details on how this will impact our daily work and how our tools match the new model”* (KAMgr H, FIN)

*“We must always remember that many of the current C-customers are future B:s”*  
(KAMgr E, FIN)

*“I don't think I have all the information”. (KAMgr B, SWE)*

*“Only brief info I believe”* (KAMgr C, SWE)

*“I haven't got any information regarding a " new account model"”* (KAMgr F, SWE)

*“So far one meeting with information.”* (KAMgr I, NOR)

*“Yes”* (KAMgr G, NOR)

*“It has been a good proses to inform about the model”* (KAMgr J, NOR)

*“yes, feel that I have been a part of this”* (KAMgr D, NOR)



In the KAMgrs' answers can be found that there is a clear difference between the information levels in the country organizations. In Norway, they seem to have the most information, and some of them has been part of the strategy implementation. In Finland, most of the interviewees have had a little bit of information about the new account model. However, meaning and effects on daily sales work have not yet been understood and absorbed. The Swedish seem to have the least amount of information. Kaplan (2002: 239-240.) mentions the illusion in the communication process that when the message is sent the communication is done. The vast majority of the KAMgrs' answers seem to fall to the category above.

### 5.3.2. Knowledge and learning

The case organization is building to strive for more customer-orientated development. Key account-model focus on customer value creation and customer understanding, but the company strategy also focuses on customer care. Knowledge is the starting point to understand the strategy. As Leader X points out, they are planning more detailed training about the strategy after the customer ratings for account model is done.

*“We have [corporate level] initiatives within Metso dealing with customer care, what it is, and where these things are planned.” (Leader X)*

*“Yes, in two weeks we get approved this customer classification and customer activities. After that all salespeople, who are going to have this kind of role will be trained on this.” (Leader X)*

*“Common strategy is that Metso should be an easy partner to work together with..” (Leader X)*

Knowledge helps with a lot of different things and can be a success factor in business and in strategy implementation. Strategy implementation is a team sport because it requires collective measures to get everybody to move in the same direction (Kamensky 2010: 331). Without knowledge and equal understanding about what we are doing here, the behavior does not change. At this point in the strategy implementation, the findings show, that most of KAMgr's are knowledgeable about the fundamental idea of the strategy: customer orientation. Even though the corporate strategy is relatively well known the KAMgrs could not point put how does the strategy show up in their work. But as KAMgr

H points out, how does the strategy carry out to daily work is not quite yet learned at this point.

*“For me this is all about customer focus, so this is very good.”* (KAMgr D, NOR)

*“Customer centric working has been our way of working all the time. Anyway, it is good to realize how much each customer generates business in total.”* (KAMgr E, FIN)

*“It is a good tool to work for grove white the customers whit the most potential.”* (KAMgr J, NOR)

*“100%, my accounts are my accounts”* (KAMgr G, NOR)

Majority of KAMgrs are aware of the customer-orientated strategy of the whole corporation, but some of them have just a glib of idea for various reasons as KAMgrs A, B and C point out.

*“The new model hasn't quite started yet here, so it's hard to say anything yet. In general, I think it's good to have a certain organized way to approach customers and to have the frequency set.”* (KAMgr A, FIN)

*“As I am rather new in my role, it seems to be a new way of report and inform.”* (KAMgr B, SWE)

*“I can't say I am too much informed, but could be due to certain private issues during the last 6 months”* (KAMgr C, SWE)

KAMgr F and I have already worked with this strategy. However, the KAMgr I answer indicates that the orientation does not show up in this KAMgr work. So, the strategy is heard, but the daily work is mostly about keeping up the orders.

*“We have always worked like this strategy with our own customers.”* KAMgr F, SWE)

*“Not much different from before. Working in indoor sales is at time extremely busy to keep up with the orders.”* (KAMgr I, NOR)

But as KAMgr H points out the importance of every strategy, the strategy implementation. Employees need to know the strategy in detail and see how it affects their daily work. The gap between the idea of the strategy and its effects on daily work is one of the challenges that appear in strategy implementation as it is shown in Figure 1.

*“Strategy has not been ground to details so that people understand it in their daily work” (KAMgr H, FIN)*

### 5.3.3. Change management

Kaplan et al. (2002: 363.) argues that in large scale strategic change, the most difficult thing is to start the change process. Getting involved with the change process is one of the key issues in the change process. (Figure 3.) Following shows that Leader X also want employees to get involved in the process, at least in the early stage of the implementation.

*“I think that my way of doing thing is to get as much people involved as possible before we officially launch anything. So, everyone should the feeling that have had been involved and have made an impact. People should have the opportunity to give feedback if this is a good thing or bad thing. And from that feedback we can shape the model accordingly.” (Leader X)*

The thoughts are put into action and getting involved with the process is also seen among the KAMgrs. KAMgrs were asked that have they been involved with the account model development process. As it is shown below, half of the respondents have been part of developing the new model and employees from every country organization presented.

*“Yes” (KAMgr G, NOR)*

*“Yes, I think it would give a better understanding and insight in everything.” (KAMgr B, SWE)*

*“Yes” (KAMgr D, NOR)*

*“We have been participating the process” (KAMgr E, FIN)*

*“Yes” (KAMgr J, NOR)*

However, half of the respondents have not been part of the process. It is seen that those KAMgr who has not been part of developing the model are in different stages of the change process. KAMgr F seems to have the least amount of information. Then again, KAMgrs A and H are aware of the process and also has their opinion about it.

*“I haven’t had any new information regarding the "new" model. Yes it should be good to have some information what is new!” (KAMgr F, SWE)*

*“No. Possibly yes, as I'm involved in it. But I guess there's someone from the sales been involved, so that point of view is covered. Then again, different people have different ways of working and some might need more adjustment.” (KAMgr A, FIN)*

*“I think the people making the strategy do not have clear picture of our daily processes” (KAMgr H, FIN)*

*“Not been involved” (KAMgr I, NOR)*

*“No, not what I can recall” (KAMgr C, SWE)*

#### 5.4. KAM dimensions

KAM is a special performance of special activities that concentrate on the most valuable customer and organizations' need to figure out what kind of role does the account model play in their organization. (Homburg et al. 2002; McDonald et al. 2007: 284-289.) As the following shows, poor customer satisfaction has led the organization to focus on customer care and align that with their most valuable customers.

*“Well, you can see it in customer satisfaction surveys that they are not so satisfied. In Finland we have the most satisfied customers, in Sweden it’s a little bland, and in Norway negative. We have now started to think how it [customer satisfaction] could be improved. Resulting to create a model with clear criteria for customer classification. A-customers, key customers, perhaps 3-5/country, then B-customers, who are important to us, volume buyers, without any agreements...Country specific or very local customers, not global like XXX [one global company], which*

*need special treatment. B-customers will be 30-40/country, and then the rest are transactional, they contact Metso if they need something, list price. They are contacted by marketing, newsletters, targeted, equipment specific. If you are interested, please contact this person. Hopefully this classification and the criteria is now going pretty well and how to deal with these customers. The A-customers will have this Key Account Manager, an account team with broader presentation of Metso people. And two to four times per year a meeting with this account team, and then perhaps monthly, I don't know if that's too often, the KAM goes to visit the customer, even if you do not have anything to sell. Go just to visit and see how's it going and how you can help. It's a lot of resourcing to do to get this rolling, so the number of customers can only be quite limited.” (Leader X)*

The organization is naming account managers and team to support them with the most valuable customers, as it is recommended in the literature. Leader X pondering whether the team meeting should take place two to four time in a year or in monthly bases. Literature does not show any specific timeline for meetings, but it suggests the team has strategic and operational responsibilities with key customers. (Zupancic 2008; Marcos et al. 184.) The team acts as consultants and increases trust and commitment to the customer, so building common goals, creating positive cohesion, and feeling of togetherness with the team is valuable. Leader X mentions the example of visiting the customer even without attentions of selling anything. Guesalaga et al. 2018.) say that customer understanding is the winning aspect of KAM, so the key points of implementing key account model seem to be in order.

#### 5.4.1. Current position

To success in KAM implementation, the whole organization has to be on board and adopt KAM orientation. (Gounaris et al. 2013.) This case organization is facing the challenge that the adaptation needs to happen in three different countries. As Director X narrates below, the three countries have three different ways of working, and they all are mostly product orientated. As the literature suggests the challenges in implementing KAM is usually poor internal alignment with organization units, and it can be seen in this case.

*“Status now is that we have three countries with own sales: Finland, Sweden and Norway. In Finland we have salesmen, who visit customers and sell mainly equipment. They are not in charge of the customer relationship, they sell equipment. It might read something else on the paper, but it is mainly just selling. In Sweden*

*they serve the customer as a whole, perhaps even by after marketing, because it's an easy way to get to the customer and coordinate the deals. Like when a salesman gets a lead to bigger business, a more experienced guy come to help. And in Norway it has been completely differentiated, equipment salesmen and parts salesmen, both visiting customers.” (Leader X)*

KAM should be thought of as a part of the operations and organization culture, not just another way to make sales. (McDonald et al. 2007: 284289.) It is clear that in this case, the organization wants to move its focus from products to the customer as it is the core of KAM.

*“In a way Metso's structure is that we are very product focused and we have business areas that take care of the products, parts and equipment.” (Leader X)*

Relationship building, together with customer knowledge is an important part of KAM. (Hakanen 2014.) Building relationships need more efficient planning with the key customer. As Leader X implies, they need more planning in the sales so they can create better relationships with customers. Long-time value is based on how well the customer and supplier function together.

*“ I think not so many salesmen plan what they do next week or the following, it's more like now he [customer] phones and I go there and tomorrow I go to Kuusamo and then to Helsinki- throwing oneself from one place to another.” (Leader X)*

Customer planning is one of the six segments in KAM framework (Figure 6.), and it should contain value adding plans.

#### 5.4.2. KAMgr tasks and objectives

Interview with Leader X shows that the KAMgrs need to be closer to the customer than before. Co-creating value is one of the key tasks in KAMgr position, but yet the KAMgr position is far more complex than the traditional buyer-seller relationship (Marcos et al. 2018: 166).

*“I think they have clear tasks, of course that they proactively contact the customer, take care that we are always in, when the customer considers a deal. Keeping in touch, all the time. Of course, in charge of the customer satisfaction.” (Leader X)*

Being closer to the customer is not enough. KAMgr has a boundary spanning role (Figure 6.), and Leader X wants to see the KAMgrs' to collect more information about the customer. Getting information and knowledge about the customer is important, but KAMgrs' task also involves internal activities. The following shows that especially internal tasks are lagging, and it supports Marcos et al. (2018: 170.) research.

*“And then of course they are in charge of sales per customer and profitability. That we get all we can – the data we want. Reports of what has been discussed, what to input in CMR, all the basics, which is at the moment very poorly performed. We should find a planned structure for our customer care.” (Leader X)*

Above shows that the KAMgr's role and structure are not completely clear but in motion. The same can be seen from the KAMgrs answers when they were asked to describe KAMgr's tasks and objectives. At his point of the strategy implementation, for some of the KAMgrs', the new coming account models' tasks and objectives are not yet clear.

*“I'm not sure. I believe my way of handling the accounts is pretty close to this intended model, but of course the involvement of other people will give it more input.” (KAMgr A, FIN)*

*“Since I am quite new in my role, it is difficult to compare how the difference is.” (KAMgr, B SWE)*

*“First I need to know what distinguishes the new from the old one!” (KAMgr F, NOR)*

Below, KAMgr C mentions transparency in reporting and getting more information about the customer. This can be related to boundary spanning, and Wilson et al. (2003.) say 'information brokers' is one of the key aspects in boundary spanners role. KAMgr I also mention information. Even though updating the account info is important, just updating the info is not enough in the complex role on KAMgr's position.

*“Well, from previous experience it is important with transparency, all involved with the accounts need to have access to info about the customer and account, that is probably not typically so” (KAMgr C, SWE)*

*“To update the account info.” (KAMgr I, NOR)*

For some of the KAMgrs the important tasks and objectives are clearer and more familiar. For example, KAMgr D mentioned the preparation and saw the importance of it in his daily work. Preparation is a relevant part of value creation, and it is good to be prepared because after all, KAMgr is responsible for the relationship. Responsibility of the relationship means that the KAMgr is the focal point of contact as MARCOS et al. (2018: 170.) describes it. The same can be seen from KAMgr G answer as well as the preparation. KAMgr G also says encourage to be ahead of the customer, which indicates knowing the customer and its environment well. Knowing and analyzing customers world is important in KAM as it is illustrated in Figures 5 and 7.

*“As said we have been working like this already, but now it will be made more clear for other organization to secure best service for our customers” (KAMgr E, FIN)*

*“the real work is all about preparation. When we do this in a good manner we will get the results. This is the way I have work previously also” (KAMgr D, NOR)*

*“Always be available to the customers. Give a personal service. Try to at least be in pace with the customers or preferably a small step ahead.” (KAMgr G, NOR)*

*“It is important to make good account.” (KAMgr J, NOR)*

In the following KAMgr H also mentions information flow, that is important on KAMgr's work, but KAMgr H criticizes the information flow within the organization. KAMgr has a boundary spanning role, and it requires a lot from the supplier organization. As Zimmerman et al. (2018: 298.) say, an organization needs to realize that key account selling demands special attention.

*“Account managers should have sufficient tools and information to do sales work. Today we do not have those tools. Business lines do not understand what is needed*



*in order to do sales work. Tools for sufficient sales work are not part of any business lines target neither market areas targets. If I look at my work today, I don't even know where to retrieve sales data now as SF was cut out of SAP data."*  
(KAMgr H, FIN)

#### 5.4.3. Knowledge and understanding

As found earlier, the basic knowledge of the account model is questionable. The KAMgrs were asked what kind of training or support they would want to succeed in KAMgrs position and therefore to successfully carrying out the strategy. Once again, the answers vary a lot. Several of the KAMgrs did not want or did not know what kind of education they would want to support their work. That can be indicated as a lack of knowledge about the strategy and their own strengths and weaknesses.

*"I do not know what is available"* (KAMgr C, SWE)

*"none"* (KAMgr D, NOR)

*"I'm fine"* (KAMgr, E, FIN)

*"See the answers from the previous question!"* (KAMgr F, SWE) Answer from previous question: *"First I need to know what distinguishes the new from the old one!"* (KAMgr F, SWE)

Again, some of the KAMgrs would want more information about the accounts themselves as KAMgr G points out below. Also, KAMgr I argue that you learn the work on the job and maybe this kind of model is too much for other than outdoor sales managers to handle. As Marcos et al. (2018: 166.) has shown the KAMgr position is much more than just a buyer-seller relationship. The role is more comprehensive and requires collaboration externally and internally.

*"Sales statistics per accounts."* (KAMgr G, NOR)

*"To succeed you need time to work with this task. It is maybe easier for outdoor sales to manage this."* (KAMgr I, NOR)

Yet, several KAMgr wants to know more about the model and develop their work. As KAMgr J says, 'good practices should be shared' and that is a major aspect as illustrated in Table 3 and Figure 3.

*“A basic education might be a good idea.”* (KAMgr B, SWE)

*“I believe it is imported that good practice is been shared”* (KAMgr J, NOR)

KAMgrs A and H had more deeper thoughts about the things they would need to succeed in KAMgr position. KAMgr H sees that the organization do not have the right tools to work whit this model. KAMgr H wants more information about the client, and the client information should be the key performance indicator for the account model. Knowing the client is the fundamental of KAM and knowing the customers 'DNA' helps to turn the customer's decision to purchases or keep them loyal (Marcos et al. 2018: 59). KAMgr H is also frustrated how much they have to look for the information and keeping the customer information updated and available is one of the challenges in customer understanding.

*“The right tools to access and monitor the sufficient client data. This should be key KPI for the account model. We do not sell today we just receive orders if looking at spares and wears. The time we have to spend on looking for info we should have at our fingertips is mind-blowing.”* (KAMgr H, FIN)

*“First of all, going through to model and its targets thoroughly. Then the idea of the structure of working and then within the team, how it's going to play out in reality.”* (KAMgr A, FIN)

KAMgr A wants more deeper understanding of the whole model. KAMgr H points out the important thing of strategy implementation that first there needs to an understanding of the strategy. After that, the idea needs to be converted to real life and real work. How does the strategy help the organization and the KAMgrs in their business.

### 5.5. Summary of findings

As usual, the strategy has come from the top of the organization. The meaning of the strategy is working more customer-orientated manner and increasing service levels and

improve response times for customers. This move has been in motion for a while, and the main idea concerns the whole corporation. The sales organization is driving towards more open communication and getting more closer to the customer. Also, they are aiming to clear the structures and habit in the organizations so it would be easier to deal with the main customers.

To achieve the above the organization is implementing account-model. Even though they have had accounts before they are renewing the account grades and naming new account managers (KAMgr). In spite of the fact that there have been sales accounts in the past, it can be seen that the true essence of account selling is missing. The new model grades the customers from A to C, and these accounts are taken care of by the key account managers (KAMgr) and the key account team. The goals are to focus on the most valuable customers, getting more closer to the customer, and raising more information about them. In the managerial point of view, this requires regular KAMgr and KAM-team meetings. The organization has been very product orientated so far and with KAM they are trying to shift to more customer orientated way of selling. Also, by implementing KAM they seek to get more structure and harmonize the operation within the country organizations. These objectives require better planning with the customer, collecting information about the key customers, and better reporting from the KAMgrs.

The resources for the implementing of the new model have been very limited, and the resources have not been integrated into the strategy implementation. Basically, it has been a one-person job, and the lagging of the implementation is caused by the turnovers in the managerial position. Therefore, the implementation to different country organizations has difficult. It is clear that time management a big issue in the implementation and the organization have not invested hardly any time from the operational activities.

In the past, there has not been too much control for the strategy implementation. Basically, after the announcement of 'let's do this' the matter has not been under supervision. In this initiative, the control has not yet been nailed down, but the plan is to make goals and targets and have monthly meetings with executives about them.

The organization is not planning to change the current bonus system to support this strategy implementation. Also, the bonus system is managed at the corporate level, so the change the system to support this strategy implementation is not that easy.

It is shown that the communication of the new model has been poor and the message about the strategy has not reached all the necessary groups. This can be seen in the different working models within the country organizations. However, the management has understood the importance of communications. They do not want to make the same mistakes that they did in the past e.g. in the CRM implementation. Now they are trying to invest in the communication of the strategy.

To improve the understanding about the new model the organization is planning to arrange training for the key account managers. This will be out in order after the final customer grading is completed. Support the understanding of the model and start the change the management wants the KAMgrs to participate in the process.

In general, the findings within the KAMgrs' shows the difference of knowledge about the new strategy and the disorder among the country organizations. Most of the KAMgrs' has not had the time to get to know the new model, or they do not yet know what the meaning of it is. The new model and ways of working have not yet been fully launched, which increases the difference in KAMgrs' answers and behavior. Some of the KAMgr has been working in the same way as the new model is designed, but the profound understanding of key account management compared to literature is missing. Some of the KAMgrs' has been part of renewing the model, and that has an impact on understanding the model. Being part of the process also affects how you change your behavior and ways of working.

Communication about the new account model has been weak. The weakness of the communication shows in the KAMgrs' knowledge about the new model. And again, there are differences between the country organizations knowledge of the account model. In this stage of the strategy implementation KAMgrs' seem to have the basic knowledge about customer orientation, but a deeper understanding of the account model and its effects on daily work are unclear.

At this point for most KAMgrs' the KAMgr task and objectives are hazy. For some of them, it is so because they are new in the KAM position, but some KAMgr just do not know what the new model is, and some KAMgr thinks it just about updating account info. Still, some of the KAMgrs' are more familiar about the task and objectives and want better transparency to account info and more information about the key customer in general. Few KAMgr mentions the importance of planning in daily work, to be ahead of the customer and always be available for the customer to ensure the best service for the customer.

Despite the fact that most of KAMgrs' do not thoroughly understand the new model still most of the KAMgrs' do not want any training about to support the KAMgr position. Few KAMgr is interested in getting training and sharing best practices. Yet, few KAMgrs' want more support to succeed in the position. One KAMgr want more tools for selling and argues that right now they are just receiving orders. One manager is in the core of it all and says without thoroughly going through the model and its goals, and going through the structures of working, it cannot be transferred to daily work.

The findings mimic the results of Kehusmaa's example (2010:38.) of an organization that made a new strategy to establish better relationships with their key customers and focus on fewer customers. After planning the strategy, the organization made processes to pursue the goals they had set. Despite the planning and goals the strategy development process advanced poorly and their best customers got the same level of customer service as those who were not so important customers for the organization. The organization noticed that their strategy implementation is weak and strategic targets were easily ignored. As a result, the management stated that the reason for weak implementation was lack of time and unexpected challenges in daily work. Timelines were too tight the responsibilities were unsuccessful.

## 6. CONCLUSION

### 6.1. Conclusion and discussion

The objectives of this research were to increase awareness of a renewed strategy within this case organization and find out why they have been struggling with strategy implementation. To reach these objectives the following questions were set:

***What are the strategy work challenges on implementing the account-model?***

Strategies are carried out by the employees and to get a more in-depth picture of the state of the strategy implementation in the case organization the next question was set:

***How is the strategy perceived by employees?***

In the main question, the goal was to find issues that lie in strategy implementation in this case organization. As it is shown in the literature, strategy work and strategy implementation is hard, and most organizations do not succeed in it, and this case is not the exception. In this research, one of the biggest challenges is the fact that sales organization operates in three different countries. The country organizations have their own management, different cultures and are used to work in their own way. One of the challenges is also the common - those who have made the strategy are not implementing it. What makes it even harder are the changes in the vital management positions who would be responsible for making sure that the strategy is carried out by the employees.

Lack of resources and especially poor time management are the key defects. It seems that the management does not have time for this implementation, and the employees are caught up in their daily tasks to give focus on the new strategy. This makes one ponder how important this strategy is for the organization. At this stage of the strategy implementation, there has not been clear goals and control. Therefore, it is hard to keep track of the implementation process and follow-up. Additionally, the follow-up in communication has been poor. Communication of the new strategy has mostly been announcements, and the measures of understanding and acquiring the strategy have been lagging. Most of the employees do not understand the true meaning of key account management, and the strategy behind it.

It has to be noted that in this case, the implementation is still in process, but for the time being, the strategy implementation has not been successful. Only part of the employees that have been part of this research understands the true essence of the strategy. Some of the employees say that they operate according to the strategy, but the foundation pillars of key account management do not convey from their answers. It is especially interesting that in certain country organizations' the KAMgrs' who felt that they are familiar with the new model, the customer satisfaction was the lowest. It has to be said though that the specific details of the customer satisfaction survey are not known. The core of KAM is to make long term sales by cooperating with the customer and serve them according to their specific needs. This customer orientation should emerge as a positive indicator to be seen in the customer satisfaction levels.

The sub-question was set to measure how the employees perceive the strategy. Based on this research the employees' outlook of the new account model as well as of the managerial view of the strategy varies between individual salespersons. At this stage of the strategy implementation, it can be seen that both parties are more focused on the account gradings. Meaning and knowledge of the account model's effect to the daily tasks is mostly a mystery to the KAMgrs'. The vast majority of KAMgrs' under evaluation in this research have understood the customer orientation factor, but the actual KAM basic philosophy is obscure to most of them. The KAMgrs' impression of the strategy seems to be the aspect that through the new account gradings, they try to seek better customer service. But this aspect only touches the true account-model which intentions are to gain reliable and profitable customers through persevering and profound customer relationships. According to this research, the guidance to the account-model and to the core of the matter has been weak. The profound reason for this is time management, and because of the lack of time, it is easier to do things as everyone is used to. Most of KAMgrs' time seems to go to process the orders, and there is not enough time for e.g. to improve the understanding of the key customers.

There are clear differences within the employees on how the communication process of the implementation has gone and how involved the employees have been to this strategy implementation. In some of the country organizations, there has been hardly any communication this far. The variability indicates the differences in management and control between country organizations, which shows the weak control of the implementation so far.

The difference of opinion in employees about the account-model can be caused by the phenomenon that they do not see the long-term effects that the strategy is trying to

achieve. Strategies are made to improve and secure the future in the long run, but sales figures have to be on point weekly and monthly. Changing your own behavior is time consuming, and it is easy to think that the strategy implementation process is just taking time away from your sales. Therefore, the resources for the strategy implementation should be determined more carefully. As mentioned earlier, time management seems to be a big issue within the employees as well as within the management. To support the strategy implementation and to create understanding towards the new account-model more training should be provided, which is time-consuming. An interesting finding was that some of the employees do not want any training, which shows a lack of motivation toward the new strategy of they do not see the change as an advantage to their daily work. To support the strategy implementation into the daily operations, there should more planning and control. To determine who does what, where, and when would create a better guideline for employees to carry out the strategy. Even though the rewarding system aspect was not covered in the survey to the employees, the system would create motivation and the system could provide short-term goals for the employees.

To improve the strategy implementation management should take more responsibility for the communication process. It should be made sure that the communication is not just one-time notice yet almost constant and comprehensive, communicate in such a way that the message is understood, create examples and highlight the importance of the strategy for the organization. Understanding enhances learning, and learning is key to successful strategy implementation, and effective strategy implementation supports learning. In addition to supporting the implementation and the account-model drives like CRM should be taken into better use. With CRM the organization can create examples of how to improve customer knowledge and customer understanding, and follow-up the process.

To make the strategy stick, the series of implementation actions should be undergone multiple times per year. in order to achieve the understanding within employees what the end goal that the implemented strategy is trying to achieve is. It cannot be a once-only announcement, so resources, communication, and control have to set accordingly. Mentioned above, the employees have to consider letting go of the past and try to change their behavior and see their work as a larger scale in the company. It would also be profitable to consider and discuss how to harmonize the organization cultures and different kinds of job routines between the three countries under observation. Proper implementation process makes the employees adaptive to change, and a more adaptive organization is a more lucrative organization in today's fast phase work environment.



## 6.2. Limitations and suggests for future research

In every research, there are limitations that occur in the research process and have some effect on the research. In this case, there are a few different limitations.

One of the limitations was the data collection. The survey for the Key Account Managers was set to get a comprehensive result from the employees. Even though the survey was lobbied from the inside of the organization, the answer percentage could have been better. Also, the answers itself were short in spite of the fact that they were instructed to give more explanatory answers. Considering the fact that the respondents for the survey were located in three different countries, the surveys were not a poor choice. To get more quality answers and to create more discussion, a group interview could have been a better choice to get data from the employees. Group interview with all the different countries involved could have raised more of the issues that they have within the organization. Maybe the discussion had also promoted the awareness of the strategy and strategy implementation. Nevertheless, the survey gave a good result of the ongoing strategy implementation.

Other limitations of this study were that these kinds of large organizations are complex. This research involved three different countries that have their own organization. To simplify the idea of the study is to get to know how people work and how they have adopted a new way of working. To really get a deep understanding of this, one would have to get to know and study all the organizations from inside. A deeper knowledge of their processes and practices would give a more comprehensive and accurate result for the research.

This research studies an ongoing phenomenon, and therefore it only reflects one stage of the strategy implementation. To get a more comprehensive result and to understand the implementation challenges more deeply, one would have to study the whole strategy implementation process from the beginning to the end. This study focused on the challenges of strategy implementation and, moreover, focused on those who carry out the strategy, employees. The research subject was inspired by the fact that strategy has a high value among organizations and management. Nonetheless, it has been shown by studies that most of the organizations fail in strategy implementation. An interesting research subject would be to study the management and their behavior after the strategy is created. Most managers thrive when it comes to creating strategies, but why does it not carry out to strategy implementation?

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## **APPENDIX 1. Interview questions for Leader X**

- Tell me about the account model and what the [strategic] change includes?
- How did you decide to choose the account model?
  - Was there any pressure from the competitor?
- You talked about classifying the customers (A-,B- and C-customers), is the rest of the organization ready for the change?
- What are the key tasks and goals of the account managers?
- How does the account model support the company's and business line strategy?
- Who planned customer-oriented account model, and was anyone from your organization involved?
- This model has already been launched earlier, so tell me how did it go?
  - How was this [strategic change] communicated in this first stage?
  - Earlier there was no one clearly responsible, and there were changes in positions, and...
- How do you see this earlier project [implementation], where did you succeed and where failed?
- Has it been difficult for the personnel to accept it?
- In future, how can you improve the reception of the new model?
- Are you thinking of organizing any training about this [account model]?
- You talked about involving personnel. Have you thought about involving those who already have experience of the model?
- Have you thought of any rewarding system supporting this model?

- How are you going to control the implementation?
- Have you and your team [those who are in charge of the implementation] been given enough time for the implementation and follow-up?
- What are the challenges and success factors in the implementation of this model?
- How are you going to take care of the communication of this implementation?

**APPENDIX 2. Semi structured survey questions for KAMgrs.****SECTION 1: Preliminary information.**

- How long have you worked in Metso Minerals?
  - 0 – 5 years
  - 5 - 10 years
  - 10 year or more
  
- How long have you worked in sales?
  - 0 – 5 years
  - 5 - 10 years
  - 10 year or more
  
- Do you have previous experience in Account sales or management?
  - Yes
  - No
  
- Which sales organization do you represent?
  - Norway
  - Sweden
  - Finland

**SECTION 2: Questions about the new more customer-oriented strategy and your position as Account Manager. (Answer with full sentences.)**

- Describe what does the 2019 Nordic Market Area strategy mean to you and how does the strategy show up in your work?
  
- Do you feel that you have received all the information about the new Account model? How was the model informed? What should be done differently?

- Have you had the opportunity to be part of developing the new model? If not, would you have liked to?
- Tell me, have you made a clear picture of the Account model? Has the organization given you enough time to get to know and study the new model?
- How do you see what are the most important tasks and objectives in the Account Managers position? What should you do differently comparing to your previous sales work?
- What kind of training and support would need to have to succeed in the Account Managers position?